

CONTINENTAL SELLING PRICES: AUSTRIA S6.15; BELGIUM F.25; DENMARK Kr.3.5; FRANCE F.3.0; GERMANY DM1.0; ITALY L.500; NETHERLANDS F.2.0; NORWAY Kr.3.5; PORTUGAL Esc.28; SPAIN Pes.80; SWEDEN Kr.3.25; SWITZERLAND Fr.2.0; DRE 12p



Leyland may have to shut plants soon, Board fears

BY TERRY DODSWORTH AND ALAN PIKE The confidential letters which passed between the Government, the National Enterprise Board and British Leyland last week underline the seriousness of the financial crisis facing the company as it tries to get its strike-torn factories back into production.

The letters show that British Leyland believes that if it cannot restore industrial relations peace very soon, a drastic revision of the Ryder plan will be necessary, including the closure of the factories.

Sir Richard Dobson, chairman of the company, also says in a letter to Lord Ryder, chairman of the National Enterprise Board, that if the present situation were to continue, future tranches of capital investment finance might have to be diverted to working capital.

Lord Ryder says in a letter to Sir Richard that he foresees substantially more funds being needed by the summer than had been forecast earlier.

Without these extra funds, there would have to be a drastic revision of the cars plan. All this is the picture of the company's prospects which will be presented to leaders of the Confederation of Shipbuilding and Engineering Unions at British Leyland's London headquarters this morning.

Management representatives will be anxious to convince the union leaders, if any are not convinced already, that warnings about the company's position are not crude scare tactics but must be taken very seriously indeed. To-day's meetings, to be headed by Mr. Hugh Scanlon, president of the Amalgamated

Union of Engineering Workers, will be attended by leaders of about 12 unions.

Both the AUEW and Transport and General Workers Unions have meetings of car industry shop stewards scheduled for Birmingham on Monday.

The first short-term priority, however, is to solve the unofficial strike by 3,000 toolmakers at Leyland Car factories. The remaining domestic responsibility of the AUEW alone.

While the management and union leaders meet this morning in London, the unofficial strike committee will be meeting in Birmingham to review the position. A meeting between toolmakers and AUEW executive which could lead to the strike ending is likely next week.

By last night, 36,000 Leyland car workers—some 40 per cent of the manual workforce—were laid off by the company, 28,000 of them as a direct result of the toolmakers' action over a claim for separate negotiating rights as a first step towards restoring pay differentials.

The company was faced with (Continued on Back Page)

Six Africans give Smith land victory

BY OUR OWN CORRESPONDENT

SIX AFRICAN MPs voted to-day with 38 Rhodesian Front MPs to give the 44 votes necessary to pass the Land Tenure Amendment Bill, which opens European agricultural land to all races, thus avoiding a defeat for the Smith Government which might have led to a General Election.

The outcome of the vote appeared in doubt all the last minute. Shortly before it was counted a Government source estimated that it would fall one short of the number required.

But Mr. L. J. Mahlanu, an African MP, who during the debate said the Bill was "too little and too late," voted with the Government, along with the three African Deputy Ministers; Mr. Michie Bhebe, who had earlier declared support of the Bill, also voted with the Government.

The group of 12 dissidents and the majority continued. Mr. M. P. M. Nkomo, who like Mr. Mahlanu had called for total repeal of the Land Tenure Act, voted with the Government.

The group of 12 dissident Rhodesian Front Members all voted against the Bill. In the context of white Rhodesian politics it is a very unpleasant irony that Mr. Partridge is a member of the Cabinet which decided to restrict Mr. Todd, the liberal reformer Premier.

The former Defence Minister, Mr. Reg Cowper, also a member of the group, called for a General Election: "You'll be the first one out," rejoined Mr. Jack Mussett, the Minister of Internal Affairs.

In the debate the group stressed that they opposed "unfair" racial discrimination. Their only objection was to clause 6 of the Bill, dealing with agricultural land. Views of MPs supporting the Bill have ranged from grudging acceptance of the need for change to "I am a practical racist," declared one—to forthright statements which a few months ago would have led to the member responsible being drummed out of the Rhodesian Front.

"In my view," said Mr. Chris Andersen, MP, "there is no doubt whatsoever that black majority rule will occur." Mr. Andersen went on to say that in his opinion the Bill did not go far enough.

The house adjourned until June 2, giving Mr. Smith ample time to press ahead with his "internal settlement".

Watershed, Page 9

Argentine bid angers Falkland islanders

By David Habakkuk

FALKLAND Islanders reacted sharply last night to the news that Argentine interests are bidding for the Falkland Islands Company, which owns 46 per cent of the colony's land area.

At least one approach has been made to Charringtons Industrial Holdings, which wholly owns the company.

The approach has been made through the Banque Occidentale Pour l'Industrie et le Commerce, a Paris-based subsidiary of Sir James Goldsmith's master company, Générale Occidentale.

The identity of the bidder has not been confirmed. But the Buenos Aires newspaper La Opinión reported that it was a group headed by Sr. Francisco Capozzolo, head of the Argentine Arbol Soda group.

The Argentine Press is claiming that a second bidder, Sr. Cesar Cao Saravia, head of the Argentine Enropa metal-investment establishment, has also entered the field.

Sr. Cao Saravia, unlike Sr. Capozzolo, is said to have the support of Argentina's military junta.

The reports were received with anger in the Falklands, recently visited by Mr. Ted Rowlands, Foreign Office Minister, who accepted that the island's sovereignty would have to be discussed in any future negotiations with Argentina.

Argentine interests are provided by the Colony's Aliens Ordinance. The ordinance provides that no land in the Falklands may be sold to anyone not a British subject without a licence from the Governor.

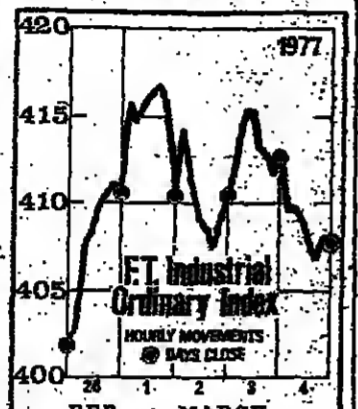
Feature Page 11 "No change." Back Page

NEWS SUMMARY

BUSINESS

Equities and gilts drift lower

EQUITIES fell in light trading. The FT 30-Share Index was 4.8 down at 407.9 for a rise



of 6.2 on the week. The All-Share was 0.5 per cent lower at 171.49.

GILTS drifted lower and closed with falls ranging to 1. The Government Securities Index lost 0.47 to 85.33, only 0.02 up on the week.

STERLING rose 7 points to \$1.7142; the index improved to 61.3 (61.7). The dollar's weighted depreciation narrowed to 0.58 (0.83) per cent.

GOLD rose \$1 to \$148 in quiet trading.

WALL-STREET closed 4.22 up at 933.46.

MINIMUM Lending Rate remained administered at 12 per cent, although the Treasury bill rate fell to 9.0000 from 9.2500. The new Ford Fiesta took 5.8 per cent of sales, suggesting it is having some substitution impact against foreign small cars. Page 11

PRIVATE MEMBERS Bill introduced by Mr. John Ryman, Labour MP for Elyth, to set up a State-controlled building society with powers to nationalise existing building societies failed decisively in the Commons. Page 9

POST OFFICE charges for off-peak and week-end trunk telephone calls are among the most attractive in the world, according to a telecommunications survey of Western Europe. Page 6

ASSOCIATION of British Travel Agents has launched a £200,000 national advertising campaign to boost sagging bookings. Page 13

SAUDI ARABIA has persuaded Bahrain to join its campaign against foreign companies which, it alleges, inflate their prices to Gulf Governments. Page 11

MIDLAND BANK pre-tax profit in 1976 more than doubled to a record £166.4m. (£82.39m.). Page 12 and Lex

JOHNSON and Pirth Brown first-half pre-tax profit almost doubled to £4.56m. Chairman believes the £11m. target for the year can still be achieved. Page 12 and Lex

TBE STANDARD TRUST pre-tax revenue for 1976 rose to £2.07m. (£1.85m.). The trust is contesting a bid from the British Rail Pension Funds. Page 12

U.S. welcomes Dr. Owen's human rights speech

BY JUREK MARTIN, U.S. EDITOR

THE U.S. Administration has given the warmest of welcomes to the British support for President Carter's stand on human rights.

Yesterday's speech in London by Dr. David Owen, the new Foreign Secretary, represents the first such public endorsement by a major western nation and will clearly help to get next week's talks here between Mr. Carter and Mr. Callaghan off on a good footing.

But it was made crystal clear that the atmosphere of the talks could be soured on their first day.

On Thursday, when Mr. Callaghan will have the first of his two sessions with President Carter, the Port of New York Authority is due to hand down its long-awaited decision on Concordia's landing rights in New York, and the Administration was very firm today that it would not interfere with the right of the local officials to make up their own minds.

Mr. Cyrus Vance, the Secretary of State, opened his Press conference this morning with the words: "I was very pleased to see the speech by British Foreign Secretary Owen on human rights."

Reporters of the speech have been given prominent treatment in the American media.

Mr. Vance acknowledged that President Carter's statements on human rights had made a number of countries very "sensitive" on the subject.

It is accepted here that the British Government has been making a conscious effort to find the right expression of support for American policies in advance of Mr. Callaghan's visit.

Since it took office, the new Administration has been most solicitous of British interests, as witnessed by the fact that Mr. Callaghan is the first European head of state to be invited to Washington.

A number of European governments, most notably that in Bonn, have scarcely concealed their misgivings at what they see as the probable adverse consequences of exciting the hopes of dissidents in Eastern Europe.

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Mr. Pierre Trudeau, the Canadian Prime Minister who was here last week, demurred when he said he preferred quiet diplomacy.

The Soviet Press has been visibly stepping up its critical response to the American actions. This morning Izvestia accused two American diplomats, either now in Moscow, of being CIA agents and of using disinformation to help them.

It published what it said was an open letter from a Jewish doctor well known in Moscow dissident circles identifying the two men. It also accused several American correspondents of disloyalty to their contacts with dissidents.

On Concordia, Mr. Vance was before proper negotiations could resume.

The British and American leaders, along with Mr. Vance and Dr. Owen, will also review the state of play in Rhodesia, details on the latest "initiative" which, he said, had been agreed at working level between the two countries after talks here last week but were still being reviewed in London.

He did, however, say that it was not enough that Mr. Ian Smith might have committed himself to an "internal settlement" but that it must be more than that is required," he said.

Mr. Vance was before proper negotiations could resume.

Premature

Approval of the Bill, he told the African MP, would mark a new day, which will ensure that aspirations of their people will indeed be met.

It would be premature to treat the passing of the Bill as evidence that Mr. Smith is now free of his rights and ready to accept African majority rule.

One feature of the amendment illustrates the continuing reluctance of Government to face fundamental change. It took one of the rebel Rhodesian Front MPs to elicit the Minister's firmation that although the Bill grants the blacks the oppor-

ty to buy land in white agricultural areas, occupancy would not carry with it the right to vote for, or stand on, rural councils in what will still be termed the "European area."

The vote was a moment of high drama. Two Front MPs have recently suffered heart attacks, and both left their sick beds for the vote, one being wheeled into the Chamber in a wheelchair.

The public galleries were crowded with MPs wives, including Mrs. Janet Smith, and Mr. Jack Gaylard, the Secretary to the Cabinet.

While the division bells rang, one tense MP left the Chamber for a cigarette, closely pursued by the Government's anxious Chief Whip, who promptly brought him back.

Regular sniping between the group of 12 dissidents and the majority continued. Mr. M. P. M. Nkomo, who like Mr. Mahlanu had called for total repeal of the Land Tenure Act, voted with the Government.

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Watershed, Page 9

Market Leaders - an 'index' fund. During the past four months the U.K. equity market has rallied, rising 47% since the end of October. Did your holdings appreciate to anything like this degree? Probably not: recent research has shown how difficult it is for the private investor to match the market movements. The Market Leaders Fund did as the market shows.

How to benefit when the U.K. market rises. Tax and administrative advantages. The maximum tax rate on any gain you make on selling your units will be only 12%, compared with 30% tax on gains made through direct equity investment. You also benefit from the streamlined administration of an authorised unit trust - the trouble-free way to own a spread of shares.

STOCK PRICE CHANGES YESTERDAY

Table with columns for stock names and price changes. Includes items like Risco, Risco, Risco, etc.

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Your savings and investments

Investing a lump sum

BY CHRISTOPHER HILL

THE most interesting of the investment field for every person who has a problem there is not a dozen who have simple problems—many of them—mystifying if they do it for the first time tends to go some of the lines of "I have and have £10,000 which to invest" or "my has recently inherited a thousand pounds and what to do with it".

But the answers are fairly straightforward and probably not very difficult but they do come from people who have been used to paying bills and the money stretches and what to do with it. They have the feeling that they are going to invest their money, or lose it unless they are very

est advice in this situation is to rush out to first thing that comes to mind, to sit down and use a few questions to really only three basic types of investment. I wish to take risks? I need more than appreciation?

First question is vital for too many people just blinded by interest

rate figures which might look very different after the payment of income tax. But the short answer is that people who pay little or no income tax are better off in investments which pay interest at gross rates—such as national savings bank and trustee savings bank investment accounts; and local authority loans. They should not be in building society shares which offer interest net of basic rate tax and are better fitted to the bedrock of a basic rate taxpayer's portfolio. The latter also have an incentive to be more flexible when it comes to risk investments such as bonds and unit trusts. As for higher rate tax payers they do better with single premium bonds, low yielding unit trusts, short-dated gilts and a number of National Savings products including the latest savings certificate issue (which closes on March 31).

The question about the level of risk one is prepared to accept is also vital. The majority of people are happier in low-risk investments (especially after the experience of the last few years) and they should therefore

avoid higher-risk investment products. As a rule of thumb, it has not been a bad idea for the cautious investor to spread his money over a number of investments in recent years rather than just plunging for one or two (which sometimes offer the carrot of lower costs for higher amounts). The choice might include some readily redeemable investments such as building society or savings bank deposits, as well as sound general unit trust shares—and if the investor is retired—the full entitlement of retirement investment certificates. Moreover, all investors can take out index-linked SAYE contracts and certain life companies have schemes under which the investor pays them a lump sum out of which the regular contributions are paid.

As for the choice between income and capital appreciation—the best way to do it depends on the investor's tax rate as has already been explained. But it is a lot of investors make an instant judgment to maximise their incomes (particularly in retirement) and they should not be too greedy. In particu-

lar it is not a good idea to rush into an annuity before the investor reaches his 70s—they are difficult to inflation-proof and take away much of his flexibility.

Some reputable outfits are not exactly helped by their names and I must say that I find the SIMCO money funds run by the Saturn Investment Management Company fit into this category. It would be far more satisfactory to see them operating under the name of Saturn's parent company, M. W. Marshall who are international money brokers and were established in 1830. But for all that the SIMCO funds are a good way of allowing the smaller investor to get finer rates than he would be going off his own hat to U.K. local authorities and clearing banks. For example, the SIMCO 7-day fund's current rate is 11.824 per cent gross (all expenses paid) compared with the clearing bank deposit rate of 8 1/2 per cent. On 3-month money the rate is now 10.78 per cent. Repayment may be made at the end of the respective periods. Saturn emphasises that it does not become the beneficial owner of any of the money deposited and only places money with either local authorities or the English and Scottish Clearing Banks and their wholly owned subsidiaries.

I was interested this week to receive a letter from the secretary of Brighton and Hove Albion Football Club saying that it had been approached by brokers acting for Property Growth Insurance in connection with the promotion of a savings/assurance scheme. Of course the question the club wanted answered was whether the company was reliable or not and I was able to assure the club secretary that it was a reputable company which had weathered the numerous storms of recent years.

Apparently football clubs are high on the list for insurance

THE 1974-75 textile depression ran far deeper than anyone could have anticipated and after several false dawns suggesting that recovery was on its way, it is little wonder that the stock market has maintained a very cautious view of the sector. However, there have been signs recently that some confidence is beginning to return.

The FT-A textile index has climbed 27 1/2 per cent since the beginning of the year, compared to gains of respectively 15 per cent and 14 per cent in the Industrial Group and the All-Share indices.

The recent share price strength appears to have little to do with current conditions in the U.K. market. The home trade has certainly picked up from the depths reached in 1974, but after a strong burst of ordering activity in the first few months of 1976, when customers were re-stocking, the recovery settled down to a slow pace for the rest of the year.

A major reason for the recovery is the recent buoyancy of the export and overseas markets. With the weakness of sterling giving U.K. producers a sharp competitive edge in the international markets, textile exports from this country were pushed 36 per cent higher in 1976 to £1.5bn. There was clear evidence of this buoyancy in the recent full figures from Carrington Viyella Vantona and Nottingham Manufacturing and the interim from John Heggas. Carrington's profits were up from £5.56m. to £12m. and although a large part of that rise came from loss elimination, export sales were 46 per cent higher while overseas profits were trebled.

Nottingham, Vantona and Heggas are three companies which fared better than most during the dark days of the textile depression and their latest results all had the hallmark of strong performances in the foreign markets with respective pre-tax rises of 24 per cent, 50 per cent, and 40 per cent. The cases of Nottingham and Vantona are particularly interesting since the efforts made by these last year represented the

first major concentration either had made on the export markets. Nottingham pushed its exports up by 65 per cent, and Vantona by around 60 per cent, yet these still represent less than a tenth of Nottingham's total sales and only 1 1/2 per cent of Vantona's, so the potential for further expansion here for these two must be considerable.

The buoyancy of overseas textile demand also augurs well for the forthcoming results of such majors as Coats Patons and Tootal. Coats Patons, after

Textile outlook

BY TOM KYTE

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pre-tax (against £9.1m.) for Tootal in 1976-77 and £60m. (against £37.3m.) for Coats in calendar 1976. In each case the exports and overseas interests are expected to have played a big part in the improvement.

The prospective p/e for these are 6.6 for Coats Patons and 9.9 for Tootal. Carrington is on an historic 1976 p/e of 7.8 and the average for the sector is about 11. Considering that international textile demand has shown no signs of flagging yet, despite the apparent stabilising of the pound, and that U.K. sales recovery is still only in its earliest stages, none of these ratings look high and there could well be more upward movement in the short and medium term.

In the longer term the sector's outlook could be improved even more by the introduction of tighter import controls. Low priced imports from the Far East and Eastern European nations have been one of the major headaches to the British textile producers over the past couple of years. Last year textile imports rose by nearly a third to £1.66bn. The Multi-Fibre Agreement which governs trade between the countries controlled by the General Agreement of Tariffs and Trade (GATT) including the Far East, is to be renegotiated at the end of this year. And if, as is hoped, the EEC can secure improved terms for its members, trading conditions within the U.K. could improve markedly for the textile companies. When or if, this happens, the share price reaction is likely to be favourable, depending on market conditions at the time.

YOUR SAVINGS AND INVESTMENT Textile Shares Table		
Company	Yield %	P/E
Carrington Viyella	9.8	7.8
Coats Patons	6.7†	6.9†
Notts. Manufacturing	7.9	4.3*
Tootal	9.9†	9.9†
Vantona	7.7	5.4*

* Fully diluted. † Prospective.

CTT reminder

THE FINANCIAL year ends in a month's time, so it is opportune to remind investors to check on whether they have made suitable use of the Capital Transfer Tax exemption. CTT is a tax that cannot be avoided, but its impact can be minimised by using the annual exemptions available. These allow investors to transfer in any year £2,000 of assets, plus £100 to a named person free of CTT. But these annual exemptions can only be carried forward one year after which they are forfeited. So investors who have not used the exemptions for the year 1975-76 should take action at once if they intend to use them.

One way of using such exemptions that avoids the need for the investor making a decision every year, is to take out a life assurance contract. E.S.

Spots or 1977

THING IN the garden to be rosy at present is unit trust move. The recovery in the equity market has sent enticed trusts back to top of the performance while overseas based anguish at the bottom performance tables for show that the old ones are back at the top funds, recovery situation and high income. And in recorded by these top shows that they have farped the market rise as ed by the FT All Share

Planned Savings tables at well over 100 trusts better performance than Share Index. Having during 1975 that high by can be embarrassing market turns suddenly, sept fully invested last when the market was

top spots for 1977 per- are held by two funds- uite different investment phies. Perpetual Group, has gone for high asset shares compared with the

UNIT TRUSTS PERFORMANCE (offer to offer basis with net income reinvested)			
TOP PERFORMERS (2 months)		TOP PERFORMERS (12 months)	
Perpetual Group Growth	40.2	G.T. Japan & General	40.6
Trade Union Units	31.9	Henderson Far Eastern	36.5
Oceanic High Income	28.3	Britannia Commodity	27.9
Allied Hambro Smaller Cos.	27.0	S & P Japan Growth	27.4
London Well Spec. Sits.	26.6	M & G Japan	26.8
M & G Recovery	25.4	Arbutnot Commodity	24.7
Antony Gibbs Growth	23.9	London Wall Est. Inc.	22.7
S & P Property Share	21.9	London Wall Spec. Sits.	21.6
Allied Hambro Income	21.4	Piccadilly Technology	21.1
Oceanic Performance	21.3	Kry Energy	20.2
FT-A All Share	13.1	FT-A All Share	6.5

These figures were taken from tables provided by Planned Savings

share price and/or low p/e ratios, with special emphasis on property shares—a typical recovery situation. Trade Union Units, which is run by Hill Samuel, on the other hand is broadly based going for leading U.K. Blue Chips with emphasis still on those companies with high overseas earnings. Some familiar names occupy the other places in the top ten, including two funds from the Oceanic Group, recently sold to Brown Shipley.

The table for performance over the past 12 months shows the Japanese and Far Eastern trusts still in the lead, but the U.S. funds have disappeared from the scene. The lesson of the investor is that if he wants to maximise performance from his trust holdings he must be prepared to switch from one type of funds to others according to the changed circumstances.

The one feature that does stand out in the Planned Savings tables is that no matter what period performance is being measured far more funds failed to match the rise in the All Share Index than beat it, the exception being over six years when the proportion was exactly one-half. If the investor picks his trust with a pin, the odds are against him even getting an average performance. Over the long-term the high income funds have done best for the investor. As stated in these columns a couple of weeks ago the roll-up of income has done more for the unit price in recent years than gains in equity share prices.

ERIC SHORT

MINES INDUSTRY

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Share Exchange no robbery!

SPECIAL OFFER if you hold any gifts and for these shares.

IT IS OUR EXPERIENCE that more and more shareholders are turning their attention to Unit Trusts by exchanging their shares for units. They have found that direct share ownership can be costly, time-consuming and hazardous. So how do Unit Trusts compare?

Costly? No. Unit Trusts can afford first class investment management at economic cost by pooling the resources of many investors.

Time-consuming? No. The essential paper work is done by the Managers and the trustee of the Unit Trust.

Hazardous? No. The broad spread of investments in Unit Trusts helps to iron out the vicissitudes in the share market.

In addition to all this Unit Trusts and investors in them are treated very favourably when it comes to paying tax on capital gains. If you are a shareholder of a quoted company, why not exchange your shares for units in any Target Fund and save yourself some money, time and worry?

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Target Income Fund
A high yielding unit trust investing 88% in equities and the remainder in fixed interest and preference shares aimed to increase both capital and income.
Income is distributed on 31st May and 30th November each year, next due 31st May, 1977.
Current offer price 24.0p—estimated gross annual yield 10.11%.

Target Equity Fund
To provide capital appreciation and an average income by investing in a broad spread of U.K. equity shares.
Income is distributed on 22nd January and 22nd July each year, next due 22nd July, 1977.
Current offer price 34.3p—estimated gross annual yield 6.93%.

Target Gift Fund, the only subsidised gilt-edged unit trust. It aims to maximise the capital return by pursuing an active investment policy conducted by specialists in the gift market, King & Shaxson Fund Managers Limited.
Income is reinvested in the Fund, so adding to the value of units.
Current offer price 107.7p—estimated gross annual yield 4.00%.

IF YOU OWN THE ORDINARY SHARES OF ANY OF THE COMPANIES LISTED ABOVE OR ANY GILT-EDGED SECURITY, WE WILL TRANSFER THEM TO ONE OF OUR FUNDS AND ISSUE IN EXCHANGE UNITS IN TARGET INCOME, EQUITY OR GIFT FUND, WHICHEVER YOU CHOOSE. (Details below.)

The value given for your shares will be calculated by reference to 1% above the quoted offer price at the opening of business on the day following receipt of your application or 2% in the case of gilt-edged securities. This valuation is approximately 3% and 1%, respectively, higher than the value you would obtain if you sold the shares or stock yourself.

The amount so calculated will be invested in the Unit Trust you specify in the application at the quoted offer price of units on the same day as the shares/stock are transferred. The minimum investment to qualify for this special offer is £500. If your shares/stock are valued at less than this it will be necessary for you to add a cash amount to make up the shortfall.

Remember the price of units and the income from them can go down as well as up. Your investment should be regarded as long term.

Shares not on the list above. Let us know what you hold and we will quote you the terms upon which we will exchange them for units.

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How to spend it

John Lipscombe

by Christine Burton

The way to a woman's heart . . .

Next time your man bleats pathetically that he doesn't know how to boil an egg, tell him that necessity is the mother of invention. There comes a time in the lives of all men when they will need to cook for themselves. After all no-one wants to get

into the sort of situation that one of my relations is in—she doesn't go out for the day without leaving her husband's meal ready and his potatoes peeled and sitting in the pan. But we are living in the 20th century, the best chefs in the world are male, and no man

should be scared of the kitchen. I have been talking to four men whom I know to be good cooks and who, when faced with either beans on toast or cassoulet, choose the latter. They are all bachelors and run busy lives, a job and a home.



Nigel Maslin



Robin Clement



John Lipscombe

Tom Hawkyard
Pictures: Leonard Burt and Terry Kirk

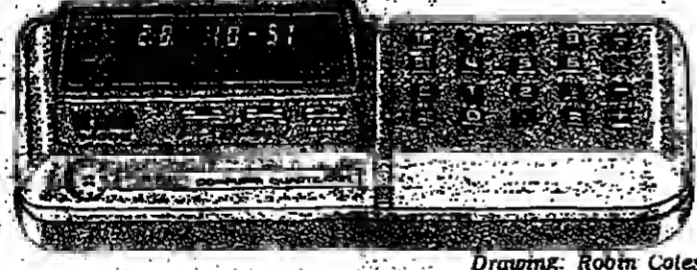
OVERS
PROPER
GEL MASLIN researches television film documentaries and travels abroad good deal as part of his job. He started to cook at 15. Granta didn't go far those days and sheer help him lose a couple in the first year. But it might be the one treat week. He and his flatmates in turn to cook a meal for ten people—members house plus visitors. Faced feeding that number of you had to figure out how meat in the oven, for how long what to do with vegetables, sharing a large London one of the girls there was of Cordou Bleu standard, and an impressive batter line and never made a sauce without a cookery book. It just enough time to come holidays in old houses in rural France. These times were heavy with lent of herbs, so far only as dusty things in the markets were full of different selections of meat, usually available in a book and I follow a recipe, but I make note on how to improve next time. This is all a continual learning process. I like to say: "I am not a cook, I am a cook in the making." I like to know things are made of, and in season. For instance, I made marmalade for me, because I was specially undercooked. However, I mistimed the pressure and the cauliflower turned me mashed swedes. It can

no one noticed. If he is to give a dinner party on a Saturday, he starts thinking about the menu on Tuesday, Thursday and tries to make at least one course in advance. Saturday is devoted to the rest of the shopping and preparation. He works out the pattern of the recipe in his head—the amount of time needed for each job, he says, out all the ingredients before he begins and washes up as he goes along. "This buys you time." He only uses potatoes if a dish really demands it; otherwise he thinks they are just fillers, so he would rather have two or three other vegetables. "New potatoes are different—their taste is marvelous." He keeps an active rack (rather than a cellar) which will provide a Macon or Muscadet for the last dinner party he will give before he flies off to Amman. This is the likely menu: Creme de Coquilles St. Jacques, cheese souffle, roast stuffed fillet of pork with epicure sauce, followed by lemon mousse. **ROBIN CLEMENT**, a planner with the GLC, became interested in cooking in much the same way as Nigel Maslin. He went up to university knowing precious little about cooking except that occasionally, as an excuse for not going to church, he would offer to stay at home to put the family's roast and apple crumble in the oven. His University hall of residence provided meals but not lunch, so he had to find an economical alternative to beans on toast. On his move to London, Bee Neilson's *Perquin Cookery* became his Bible, and then after travelling in France, Elizabeth David's *French Provincial*

Cooking was his bedside reading. He enjoys giving dinner parties: he says it's the best way to entertain friends and it's cheaper to feed eight people well than for two people to go out to dinner and to the opera. One of the most important facts of being a good cook is to find the right suppliers of ingredients. At the Oval where Robin lives he has found an extremely helpful butcher who makes his own sausages and is willing to bone a shoulder of lamb or help educate an ignorant customer; there is also an Italian grocer who stocks a marvelous selection of cheeses, meat and pasta, as well as all the usual things. As he is so close to the new Covent Garden, the greengrocer is not only cheap but has everything that is in season. If he is to hold a dinner party on a Saturday he starts planning on Thursday but the choice of menu is governed by what food has taken his fancy in the shops. If possible he likes to cook at least the main course the evening before. This entails ordering the meat on his way to work and collecting it on his back home. He also likes to cook several things in the oven at once, so very often his menu includes a "decent" steak (beef bourguignonne, daube, etc.) and a fruit fan or pie. In London, Robin Clement says, you can never rely on people being on time (he came early to his dinner party), so food must be keepable and the first course is often cold: kipper pate, with a side salad of endives and tomatoes for instance. He always serves cheese (one English, one French) and because he has a good bakery, always warm fresh bread. He usually likes to serve pastry, so he rarely offers potatoes or pasta. If there is only a small variety of good quality vegetables in the shops, he provides large quantities of one vegetable. He produces a never-ending supply of good coffee: Blue Mountain (he has a stock from a recent trip to Jamaica where he was brought up) or Columbian served in little cups with Amoretti biscuits. When he sets the table he likes it to be attractive, with flowers and a lace tablecloth but his china is cheap, plain white or light blue. He also uses simple stainless steel cutlery. "It's the food that matters," he says. Robin doesn't shop to a budget—although it's not likely he'd buy steaks and caviar for 10 people, but I am lavish with portions and not many people refuse seconds. I know roughly how much I'll spend but if something proves to be more expensive than anticipated, that doesn't stop me buying it." However, when olive oil became even more expensive he started to make Hollandaise sauce instead of mayonnaise and he says a £1.50 bottle of Cote du Rhone impovers no end if it is opened well in advance. Sherry is relatively underpriced at the moment and can well take people into the first course. He designed a tiny galley kitchen and doesn't go for gadgets but his equipment includes two very sharp knives and a

halloon whisk — "that way I'm in control; electric whisks seem to work too fast." He never uses a sieve—always a blender, but you have to be careful otherwise everything has the same texture. If you're making soup, keep a few vegetables back to add some variety. "Heavy cast-iron pans are essential—as is my gas hob. It simmers perfectly—doesn't even bubble. I don't need a bain marie." "The whole aim of my cookery is to provide relaxation—not only for my guests but for myself. It makes a change to be able to plan, execute and enjoy something within a reasonable period of time and not have to go to public consultation or a committee before making up my mind what to do." Here is one of his recent menus derived without benefit of a committee! Whitebait; loin of pork with mushroom and paprika sauce and broccoli; cheese: fan of poeched pears on a bed of almond paste, glazed with apricot seise. **JOHN LIPSCOMBE'S** approach is totally different: he became a good cook almost by accident. Like the other two, he started cooking as a student when he shared flats. He and his flatmates worked on a basis of one pound of potatoes per person per meal and kept their weight down by playing a lot of sport. As they gradually earned more money the quality of the ingredients rose but the standard of cooking didn't, and this situation continued for about 13 years. John had already studied French and pottery at evening classes and in October 1975 he decided it was time for another course of study. He wanted something relaxing, interesting and non-academic. He took the morning off work and it was when he was standing for 14 hours in the enrolment queue (waiting up between antique jewellery and woodwork, that he started to peruse the prospectus and spotted a course called the Continental Dinera Club. This course took place from 8-9 p.m. one evening a week and every fourth week all the students would sit down together and eat the meal they had just prepared. John felt that this class met his criteria so he joined. There were 20 people in the class: 18 women ranging from 19-60, and four men from 23-60. Each week they prepared a main course and usually either a sweet or a starter. Recipes for the meals came from a gastronomic tour round the Continent. They spent four weeks on France, three on Italy, two on Egypt, and one each on Iran, Turkey and Greece. Quantities given there for four or six people were to scale the amount up or down (usually up) and invite friends round for 9.30 p.m. and take his produce home. Now he entertains groups of friends to dinner about twice a month—either on a weekday evening or for Sunday lunch—he keeps Saturday evenings free in the hope of a party. He will issue the invitations about a week in advance, plan the menu about two days before and shop on the same day. Although he

Calculating
ays
SINCE manufacturers discovered how to put the "world's smallest" ever smaller and the price of the challenge now seems to see how many functions can be combined in one gadget, post in this office recently brought news of a combined calculator and watch. The watch has a digital watch in the barrel. The calculator says that neither of appeals to me but if you of the sort of mind that enjoys things with things technical, you will be fascinated by this CQ1. It is described as a calculator/clock/alarm and runs on silver oxide batteries, said to last for a year, or it can be set to a mains supply. Shared from the four basic lens and date calculations, calendar is permanently printed, so you can, for example, find out how many days have been alive by subtract-



Drawing: Robin Coles

ing your birth date, from to-day's day. You can also find out on which day of the week you were born. If you press the button marked "time" (after it's been set), a figure for the date (day, not month) will light up, and a dot will flash to show which day of the week it is. The nice thing about the time is that it is shown on a 12-hour clock, but a dot appears after, say, 5-31, to show that it is p.m. It can be used as an alarm clock; it has four separate beeping sequences lasting for one minute at a time, which can be set to go off at intervals of one minute or more. The stopwatch can measure time up to 9 hours, 59 minutes, 59 and 9/10ths of a second. The CQ1 CQ1 measures size.

5 inches by 21 inches, weighs 5 ounces and comes in black, red or white. It costs £29.95 and is available from Harrods, Knightsbridge, London SW1 (p and p 50p) or from branches of Dixons across the country. **AFLA CARPETS**, of 81 Baker Street, London W1, is halfway through its twice-yearly sale of carpet rollers. David Afia assures me that there are still plenty of bargains and the sale will continue until 12 March. Rollers are lengths left over from a roll, but they are mostly of reasonable sizes. There are about 500 carpets still in the sale. Many are reduced to half-price and predominant colours are beige, cream and brown. Please go along armed with your room

of the modern poets in the book —Corso, Ferlinghetti, Ginsberg—but what strikes one most forcibly is the richness and variety of styles achieved by American poets since the high-minded era of Anne Bradstreet and Edward Taylor. Poets such as Wallace Stevens and Marianne Moore write with a fastidiousness that rivals that of Mallarmé and Valéry; Edgar Lee Masters and Edwin Arlington Robinson, observe their countrymen with an eye as acute as that of the Rev. George Crabbe; Ogden Nash and E. E. Cummings evince a delight in the quirks of the language almost as dazzling as that of Lewis Carroll. And that breaking strain which has led so many artists in our time to contemlate, or actually to commit, suicide is a topic examined brilliantly by A. Alvarez in *The Savage God* (Penguin 75p) bas

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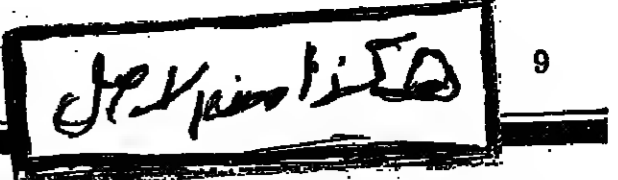
Paperbacks
ANTHONY CURTIS
DESIGNER of the latest mes from Penguin of major British poets has been imaginative in choosing the illustrations. Andrew Powell: *The Complete Poems* edited by Elizabeth Story Donnan. King Charles II being 'pretted with a Pineapple from the Royal Gardener Thomas Hewart belonging to a House. Not many green lights or green shades in it otherwise it works well. Very Vaughan: *The Complete Poems* edited by Alan Rudrum. A mystical penitent kneeling

in ecstasy from an English needlework panel of the 17th-century in the V and A; and inevitably William Wordsworth: *The Poems Volume One* edited by John O. Hayden has Turner's water-colour of Tintern Abbey and Volume Two another Turner's watercolour, 'Waterfall at Hampton Court, Herefordshire. These are all splendid volumes to have but there seems to be rather a discrepancy in the pricing of them. Marvell with 310 pages is excellent value for 90p. Vaughan with 110 pages shoots up to £4.00, making it a rather expensive journey into the world of light. You would expect it to be around £2.50. Then the two fat Wordsworth volumes with over 1,000 pages each are both £3.75 which is fair enough. Obviously these books are all heaped at the academic market but there must

be many people, student days long, since behind them, who would like to own their favourite poet entire, plus scholarly apparatus when required. Well now they can. A similarly divided aim between the needs of university seminar and home bookshelf has influenced the compilation of the new *The Penguin Book of American Verse*. It has over 600 pages and the work of almost 100 poets and surely, it has been edited by Geoffrey Moore who is the professor of American Literature at the University of Hull and whose reviews of American books will be familiar to readers of the FT's Thursday books. The cover of this mind-bending anthology shows a detail from *The Grand Canyon* of Yellowstone by Thomas Moran in the Smithsonian

Institution, Washington. This natural divide of landscape corresponds in magnitude to the poet who gets the lion's share of the space. He is Walt Whitman whose *Song of Myself* is given in full at the expense of excluding altogether lesser figures of the order of Timrod and Lanier. In Whitman we hear loud and clear for the first time one of the main tones of American poetry distinguishing it from our own. This is neatly summed up by W. H. Auden in a remark quoted by Mr. Moore at the end of his introduction: "One comes across passages, even in very fine English poets, which makes one think: 'Yes, very effective, but does he believe what he is saying?' In American poetry such passages are extremely rare." The stringent self-exposure of Whitman is a note echoed by several

found its poetic expression in the work of Delmore Schwartz, John Berryman and Sylvia Plath, among others. They are all here and so are several of the black American poets to emerge since Langston Hughes and Countee Cullen, people like Gwendolyn Brooks, Etheridge Knight, Imamu Amiri Baraka (LeRoi Jones) and Sonia Sanchez. Among the whites I was surprised only at the omission of that fine poet of World War Two, Lincoln Kirstein. To qualify as an American Mr. Moore insists on the poet being born in the U.S. P. S. Eliot is included, therefore, but Auden is not. I suppose the anthologyist feels that a poetic leopard never changes his spots however far away he lives. There may be something in it. Reading "Prufock" in this all-American context is revealing.



MP's Bill to set up State building society fails

JOHN HUNT, PARLIAMENTARY CORRESPONDENT

BOUR MP's attempt to set up a state-controlled building society with powers to issue building licences failed decisively in the House yesterday.

Building Societies (Restriction and Nationalisation) sponsored by Mr. John Hunt, MP for Blyth, was unanimously condemned on both sides of the House. It was also flatly rejected by Danzil Davies, Minister of State, Treasury.

The bill, which would set up a four-and-a-half-hour Mr. Ryman failed to get on the measure. It now lies on the table of the House. Mr. Hunt's main reason for putting it forward was to have it aired in public and proposals accepted as part of Labour's next manifesto.

He will continue his campaign. Failure of the Bill will come as a relief to the Building Societies Association. According to Mr. Ryman, the association sent a letter to all MPs asking them to oppose it, even sending a copy of the letter to him by mistake. He called that a mistake.

He claimed that the societies discriminated against people living in inner cities, coloured immigrants and single women, by refusing them loans for house purchase, and that the proliferation of building society offices was extremely wasteful.

Borrowers

The movement was providing insufficient funds to would-be borrowers, and thousands of young couples were disappointed. The societies had played a major part in extending home ownership, but "the movement has now failed in the very good start it made."

There were shouts of "not true" from the Conservatives when Mr. Ryman said that it was "heresy" to say that building societies would not lend money to women or coloured persons.

They "dissipated their assets woefully" by opening inefficient offices on prime sites with enormous overheads.

Mr. Ryman criticised them for lending money on purely commercial criteria with the emphasis on the need to secure the loan. They should pay greater attention to housing need and social need.

For the Government, Mr. Davies said: "I must make it absolutely clear that the widespread nationalisation of the building societies has never been part of this Government's policy nor that of the Labour party."

"This Bill would mean that any individual building society could be nationalised without any further legislation going through this House."

"This would be likely to impair, not enhance, the co-operation this Government has established with the building society movement."

Mr. George Rodgers (Ish. Chorley), a sponsor of the Bill, said that it contained a "sound recipe" for an organisation that had widespread responsibility to the community.

Mr. William Clark, a deputy chairman of the Conservative Party, said that the individual would count for nothing if building societies were nationalised. He described it as "a Left-wing measure to ensure that ownership will disappear."

Home fees bargain almost

Christopher Lorenz, senior Correspondent

OFFICE charges for off-peak week-end trunk telecalls are among the most expensive in the world, but six other countries charge less than Britain for installing a telephone.

Among the countries are: Argentina, where a call costs 10 cents; Australia, where a call costs 10 cents; Canada, where a call costs 10 cents; France, where a call costs 10 cents; Germany, where a call costs 10 cents; and the U.S., where a call costs 10 cents.

Mr. Lorenz said that the U.K. charges are "among the most expensive in the world" and that the U.S. charges are "among the cheapest".

He also said that the U.K. charges are "among the most expensive in the world" and that the U.S. charges are "among the cheapest".

CBI hits out at Jack Jones proposals for price freeze

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

THE CONFEDERATION of British Industry told the Government yesterday that unless its proposals for price controls, jobs would be lost and investment cut.

The CBI rounded on Mr. Jack Jones, general secretary of the Transport and General Workers' Union, and described his call for a price freeze as "rubbish."

At its first meeting with Mr. Roy Hattersley, the Prices Secretary, since publication of the Government's consultation document on future price policy, the CBI repeated its opposition to any statutory price controls being introduced before a wage deal has been agreed.

It thought that as a guide for the Government's proposals went too far. Maintenance of margin control on top of the new discretionary system was quite unnecessary.

The industry team left the meeting with the impression that while Mr. Hattersley was not prepared to consider changing any fundamental principle on which the proposals were based he was prepared to build in safeguards, though these "would not go far enough."

The CBI told Mr. Hattersley that unless these safeguards were built into the system to minimise uncertainty for industry, it would muster the toughest Parliamentary opposition it could.

The consultation document proposed certain safeguards against profits being reduced as a result of an Order following a Price Commission investigation, but the CBI wants companies making a low profit exempted from investigation in the first place.

It told the Minister it was opposed to the suggestion that price rises might be frozen during a Commission investigation.

The Confederation stressed the need for the Commission to be composed of people who "understood how industry worked."

Mr. John Methuen, CBI director general, said last night in a radio interview that a price freeze "wasn't on." Mr. Jones "knew as well as I do that the way to get investment up, with more jobs in the U.K., is to let profitability go up."

Far from profits going up, in real terms they were only a third of the level of 10 years ago and only half that of two years ago.

He added: "If the Chancellor does as we have suggested and gives 3 per cent at least back to everybody and we hold the national wage bill at 6 per cent, between August 1977 and August 1978, we will get to what everybody wants—a 5 per cent price rise."

Housing investment plan will go ahead—Shore

BY QUENTIN GUARDHAM, PROPERTY CORRESPONDENT

THE GOVERNMENT confirmed yesterday that it would go ahead with the introduction for local authorities in England and Wales of a system of Housing Investment Programme.

These may replace the present arrangements for allocating Government finance to council housing.

Answering a Commons question from Mr. Neville Sandelson, MP (Lab., Hillingdon, Hayes and Uxbridge), on what progress was being made towards Housing Investment Programme, the Secretary of State, Mr. Peter Shore, said the concept had received a general welcome.

The programmes "would enable local authorities to present coherent proposals for capital investment in housing, having regard to the particular needs of their areas."

As a first step, he said, the Government would be looking at block capital allocations for 1977-78, which would include an element of flexibility by enabling authorities "to switch a proportion of expenditure from one heading to another and also to carry forward or anticipate expenditure within a defined limit."

The areas of expenditure concerned in this initial stage of changing the allocation system are: 105 expenditure on improvements and rehabilitation, spending on municipalisation of private housing stock, and funds for private sector improvement grants.

The authorities to decide for themselves, within a framework of government allocations, to which types of spending priority should be given.

Standard City Editor dies

MR. DAVID MALBERT, City Editor of the London Evening Standard, died in hospital yesterday after being taken ill in his office. He was 57.

Mr. Malbert was born in Ottawa, was City Editor of the London Evening News before joining the Standard. A frequent broadcaster on financial matters, he had also worked on the Daily Telegraph.

Publicans may be told to cut soft drink prices

ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

HOUSEHOLDERS are expected to see a soft drink price cut in the next few weeks, as the Competition Commission report to be published soon is understood to include a recommendation that publicans be told to cut prices.

The National Union of Licensed Victuallers said it "retorted most vigorously" to the accusation that publicans were overcharging. The price of mineral water, was part of a package deal "the customer expected to get" from his local.

It is not clear what powers Mr. Hattersley would have under present legislation. If the consultation document on prices, published last week, becomes law the Minister would have the power to order reductions.

Labour MP, 78, to retire

DAVID WEITZMAN, Labour MP for Hackney North and Stoke Newington, is to retire from Parliament at the next General Election.

Mr. Weitzman, 78, a QC, has been an MP for 32 years and is said to be the last MP who fought in the First World War.

EEC censure move over butter deal

BY ROBIN REEVES

THE GREAT Soviet butter export row took a new twist here today when it was announced that a European Parliament motion of censure is to be tabled against the Brussels Commission for its mismanagement of the affair.

The decision to brandish the Parliament's ultimate weapon—its motion of censure—is a two-thirds majority move which, if passed, will automatically dismiss the Commission, and has been taken by the Right-wing European Progressive Democrat group, an alliance of the French Gaullists and Irish Fianna Fail parties.

Leading a mounting backlash to effective ban on butter sales to the Soviet Union in Eastern Europe, the group is planning to accuse the Commission of failing in its duty under the EEC Common Agricultural Policy to rid the market of surplus stocks, and of unwarranted trade discrimination.

The storm of protest in Britain over the heavily subsidised sale of 38,000 tonnes of EEC butter to the Soviet Union, the Commission pledged itself to consult the Parliament before allowing major deals of this sort in future.

The line taken by the Conservative group will be watched with interest. Only last summer, it tabled a motion of censure of its own, condemning the Commission for failing to do anything about the EEC's chronic dairy surplus problem, but it failed to attract the support of other political groups. On the other hand, the Conservatives may haul at aligning themselves, on this occasion, with the motion of censure, which is motivated by reasons which run counter to those voiced in Britain.

There may be an opportunity for Mr. Jenkins and Mr. Finn Gundelach, the Brussels Com-

missioner for Agriculture, to diffuse the issue of next week's session of the Parliament in Strasbourg. But otherwise, the censure motion will go ahead to be debated during a special session on March 22 and 23, which has been set for U.K. MPs to debate the 1977-78 EEC farm price recommendations from the Commission.

Meanwhile, an EEC spokesman announced today that in view of the British Government's failure to lift its emergency 50p a score (20 lbs) subsidy to U.K. pig producers, as ordered by pressing ahead with its plan to take the issue to the European Court of Justice in Luxembourg. But in view of the conciliatory line now being taken by Mr. John Silkin, the U.K. Minister of Agriculture, informed sources were suggesting here that the legal proceedings will not be hasty, proceeding at a more politically convenient pace.

Minority Government for Belgians

By David Buchan

BRUSSELS, March 4.

PRIME MINISTER Len Tinde- mans today found himself with a minority government after dismissing the two ministers from one of his French-speaking coalition partners, the Rassemblement Wallon Party. The Premier was in fact only getting in one jump ahead of the RW, which has threatened to leave the coalition by the week-end. In the light of today's dismissals, the RW seems certain to withdraw their 10 votes in the lower house, leaving the Tindemans force with 105 seats out of 212. Mr. Tindemans announced later that he would be making a statement to Parliament on Tuesday on future policy.

Mr. Tindemans took action on another day of trade union protests, including a national bus stoppage and generalised strikes in two provinces, at government and social policy. These strikes, which are to continue for the next three Fridays, have drawn their most vociferous support from the Walloon steel industry. The leader of the RW, Mr. Paul Henri Godebier, interpreted today's dismissals as "a slap in the face for Wallonia."

The immediate pretext that Mr. Tindemans used was the RW's abstention on a budget vote yesterday in protest at the government's failure to draw up rescue plans for the ailing Walloon steel industry. But in fact, the Prime Minister has become increasingly exasperated at the way the RW has been running with the government bare and hounding with the union bounds.

An early general election, before it is due in spring, 1978, now seems almost certain. But the remaining coalition partners seem divided in their talks tonight on a suitable date. Those in favour of elections at the earliest possible date (in mid-April) argue that a minority government could not face union opposition, with the two main federations striking together, and go through the drafting of another budget in the interim. Others argue that the government would do best to try to get by in parliament till the autumn or abstentions and face the electors then. With the likely neutrality of three Brussels Liberals, minority government for a time is not impossible.

MR. SMITH'S LAND ACT VICTORY

A watershed point for the Rhodesian Front party

BY MICHAEL HOLMAN

SALISBURY, March 4.

THE RHODESIAN Prime Minister's hair-line success in the Rhodesian Parliament this afternoon, pushing through a bill the main significance of which is to open European agricultural land to blacks despite the opposition of 12 Rhodesian Front MPs, means that his party will never be the same again.

But whether the changes that will now take place are sufficient to pave the way towards an accommodation with African nationalism is a very different matter.

A great deal was at stake. Failure to obtain the necessary two-thirds majority could have led to a general election. Rejection of the reforms, intended as a demonstration of the government's good faith, would have been a serious setback to Mr. Smith's efforts to reach an "internal settlement."

As it is, Rhodesians are still awaiting the names of the black leaders he is supposed to negotiate with, and details of how their support will be tested in order to establish their right to represent the country's 6.2m. Africans.

Judging by the words of the Minister of Lands, urging black MPs to support the Bill, profound changes are in store. Its passage would show, he declared, "that members of both races can work together in amity and accord."

But these sentiments hardly square with Government's decision to maintain segregated Government schools and hospitals, and continue with white residential areas.

The point of course, is not that nationalists are demanding the right to live alongside whites which they regard as irrelevant to the pursuit of parliamentary

power, but that the Government wish to retain what they term "protection" for whites casts doubts on its willingness to accept more fundamental reforms.

Even the amendment to the Land Tenure Act has a revealing about-face. Although it grants blacks the right to buy and occupy white agricultural land, it does not give them the right to vote for, or stand on, rural councils in what will still be termed "European areas."

In short, Mr. Smith is serious about a majority settlement his party will have to adapt even further, and for this reason a general election remains a possibility.

mentally party will have to adapt even further, and for this reason a general election remains a possibility.

The Prime Minister can hardly be comfortable knowing that he has no parliamentary majority to play with, for at some stage he must confront the 12 rebels. A general election is the only way to oust them, and he may well conclude the sooner the better.

The next few weeks will see a battle for control of the party organisation, and the longer Mr. Smith delays the more time the opponents have to take over the RF or establish a new party.

That the Rhodesian Front in power since 1962 and winning all 50 white seats in the last three elections, has split there is no doubt. As the spokesman for the group of 12, Dr. Colin Barlow, has pointed out, the differences go beyond the immediate issue of land reform.

There is disenchantment over the political direction of the Government and what they call "the lack of decisive political leadership."

The group proposes that "each main community should have the power and authority to preserve its own identity in meaningful terms and a second tier level of government and meet together in an Upper Council to resolve national issues."

It is a formula which has been widely canvassed over the past few months, and its supporters argue that only a system of black and white semi-independent territorial assemblies under a multiracial council controlling fiscal, defence and external affairs, can guarantee the whites' future in the country.

White politics over the next few months can be expected to polarise between the so-called "provincials" and those who support Mr. Smith, who continues to declare his acceptance of majority rule.

The passing of the Land Tenure Amendment Bill today might give some credibility to this pledge, but only if Mr. Smith uses his enormous influence with white Rhodesians to persuade them to accept further changes in the months ahead.

But in the meantime he will surely be aware of that dangerous trend in Rhodesian politics: moderate or reformist governments have always succumbed to right-wing opponents, so the success of the Rhodesian Front itself in 1962 demonstrated.

Japan and Russia new fishing pact

By David Satter

MOSCOW, March 4.

JAPAN and the Soviet Union have committed themselves to reaching an interim agreement on Japanese fishing rights in the newly declared 200 mile Soviet fishing zone by the end of this month, according to the Soviet news agency Tass.

The negotiations for the interim agreement, which will determine fishing rights for the remainder of 1977, are scheduled to begin in Moscow on March 31.

The two sides also committed themselves to reaching a new long term fishing agreement to replace the 195 Soviet-Japanese Convention on Fishing in the Northwest Pacific, which was not based on a 200 mile limit. These negotiations are to be concluded by the end of the year. According to the agreements, which were formalised on Thursday night after four days of talks between Japanese agriculture and forestry minister Zenko Suzuki and Soviet fisheries minister Alexander Ishkov, Japanese vessels technically may continue to fish in the Soviet 200 mile zone until March 31. However, the Japanese government tonight asked 615 of its salmon and herring fleets to stay out of the Soviet Union's new zone until the end of March.

The Japanese side indicated that the Japanese, who have fished extensively in Soviet coastal waters and are most affected by the Soviet decision to impose a 200 mile fishing zone, may consider imposing a 200 mile limit of their own in the near future.

U.S. jobless total rises 0.2 per cent. in month

BY DAVID BELL

WASHINGTON, March 4.

THE NUMBER of people out of work in the U.S. rose 0.2 per cent. last month to 7.5 per cent. of the workforce chiefly because of the large number of layoffs caused by the unseasonably cold winter.

Increase was somewhat lower than expected and coincided with other statistics which also appear to indicate that effects of the winter may have been less severe than once feared. New car sales in the final eight days of February, for instance, were only 40 units below the figure for February 1976. Despite the lingering effects of weather, analysts had expected a 4 per cent. sales drop in this period over the previous year and are thus encouraged by the latest figures which they view as a very encouraging sign.

Meanwhile, reports from leading retail concerns show that there still appears to have been a better February than expected with Sears Roebuck, for instance, recording gains of 11.3 per cent. over February 1976—much more healthy rise than might have been expected.

The unemployment figures also show that the total employment increase as measured by the monthly survey for February rose 400,000 last month to 89.0m. This means that the number of people with jobs is now some 2.5m. higher than a year ago.

Africans' plea on Arab aid

African Foreign Ministers yesterday complained that the foreign aid to Arab states was "insufficient and inadequate" and urged that the Arab states should be included in the first working session of an Afro-Arab solidarity conference, representatives of which were expected to meet in Cairo.

The ministers said that the Arab states were not giving enough of their wealth to the third world, and that the Arab states were not doing enough to help the African states with the chronic foreign-exchange deficits of poorer African countries.

Beame sees NYC bankers

BY JAY PALMER

NEW YORK, March 4.

NEW YORK City Mayor Abraham Beame, in a direct reference to the city's growing financial crisis, late yesterday promised the City Council that he would not "mortgage our sovereignty."

Today, the Mayor will hold meetings with city bankers who are mulling the creation of a new outside, independent agency to supervise the city's spending.

Later this afternoon, representatives of New York City's largest creditor banks are due to present to the city with a package spelling out their required prerequisites for preventing the city coffers running dry for another round of emergency bank funding. Details of the package leaked earlier this week and the Mayor let it be known that the bank demands were "totally unacceptable."

The city now faces basically two separate fiscal problems. First, it must persuade both the banks and municipal pension funds to provide new loans to pay off about \$1bn. of short-term debt coming due. It must also persuade the Federal Government to grant its scheduled aid package of the city in time to prevent the city coffers running dry for another round of emergency bank funding.

Cubans with Amin denied

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, March 4.

MR. CYRUS VANCE, the U.S. Secretary of State, said today there was no evidence to justify newspaper reports that substantial numbers of Cubans were now helping to train the Ugandan army.

Mr. Vance said he had repeatedly checked the latest intelligence data over the last few days. He had done so before his press conference this morning and "again today we have no hard evidence to nail down these stories that there are large numbers of Cubans helping to train the Ugandan army."

He acknowledged, however, that there might be a few in the country.

In a dispatch from its Nairobi correspondent, the Los Angeles

Thai insurgency

Communist guerrillas have ambushed and killed 29 villagers returning from a home guard training programme in Northern Thailand, Reuters reports from Bangkok. A police official described the ambush in Chiang Rai province on Thursday as the most serious incident in Thailand's 11-year-old Communist insurgency.

SEE PORSCHE'S NEW PORSCHE the 924 ON PAGE 5

Peter Riddell, Economics Correspondent examines the options open to Mr. Healey on March 29

Budget problems facing the Chancellor

The shadow of Phase Three

WITH THE Budget now only a few weeks off, investors are becoming resigned to the fact that the Bank of England means to keep interest rates from falling further for the time being. More interesting in what is presumably one of the main reasons for this cautious policy is the difficulty which the Government is likely to experience in reaching a satisfactory agreement on another stage of voluntary pay restraint. Mr. Healey will clearly have scope for making his promised cuts in direct taxation.

On the one hand, the official reserves rose a further \$591m. last month to a near-record level of \$7.78bn. After deducting loan drawings, the rise was \$331m., and the official view is that only a small part of the recent inflow represents short-term speculation, notably in the gilt-edged market. The greater part, it is thought, is due to the ban on the use of sterling for financing trade between third countries and the unwinding of the distortions in the timing of commercial payments which developed last year. On the other hand, the latest figures for the public sector borrowing requirement confirm widespread guesses that it will turn out to be very considerably below the figure mentioned in the Letter of Intent to the International Monetary Fund.

Tax cuts This very discrepancy is a reminder of how difficult it is to forecast the PSBR in advance, and it is the PSBR for 1977-78 which matters when it comes to considering the scope for tax cuts. But scope for some cuts there will certainly be, and the questions of misin interest are where the cuts will be concentrated and how firmly they will be made conditional on the course of personal incomes when Phase Two comes to an end in this summer. Although the Government and TUC leaders have been discussing the possible shape of an agreement for some weeks past, the latter have made it clear that they cannot go further before seeing the form of the Budget and consulting their individual unions. The situation at British Leyland reflects clearly the reasons for their hesitation. Here, an unofficial strike by toolmakers

MR. DENIS HEALEY, the Chancellor of the Exchequer, is now nearly at the crucial stage in his Budget preparations when he has to decide fairly definitely on the main tax changes to be announced in his speech on March 29. He has not been short of advice in the past few days with nearly 100 pages of representations coming from the CBI and TUC, as well as the National Institute Quarterly Review. All, for once, point in the same direction in calling for large cuts in income-tax, albeit differently distributed.

The Chancellor, who celebrates his third anniversary in office to-day, has not discouraged hopes of a cut either. But in practice, his freedom of manoeuvre is severely limited. And in spite of the allure of income-tax cuts and rebates, the prospect is only for a somewhat smaller reduction in living standards this year than would otherwise have occurred, rather than any improvement.

The euphoria of early January has now definitely evaporated. Although the negotiation of the \$3.9bn. International Monetary Fund loan and the Basle agreement to protect against sudden withdrawals from the U.K. of official sterling balances were much needed, they have not solved any fundamental problems. But they have provided a more settled external framework. The bleak immediate outlook on both output and unemployment facing Mr. Healey from the latest forecasts is not in doubt. The economy is still recovering very weakly from a deep recession, with the rate of progress limited by the need to cut the continuing high rate of inflation and to bring the current account of the balance of payments into surplus.

But the recovery so far has been steady rather than rapid, and a definite acceleration will be required if the hopes are to be fulfilled. Similarly, export volume has so far responded relatively slowly to the impact of last year's depreciation of sterling, although all the surveys point to a large rise this year. But the market penetration of imports—most notably cars—remains disturbingly high, given the sluggish state of the economy.

Overall, while the economy seems to have been growing slowly in the last few months in contrast to the flat trend during the summer, the prospect is with a low of 12.9 per cent. last year, and the rate could creep up by another couple of points between 1 per cent. and 2 per cent. this year. This is insufficient to match either the underlying growth in productive potential—the increase in output per head from investment sharply and greater efficiency—or the time to affect the annual rate of increase, it is now thought possible that the increase in the 12 months to fourth quarter of this year could be slightly lower than the 15 per cent. rise forecast by the Treasury last December. But this depends on a further reduction in the rate of increase in earnings, so there is no room for risk here.

Consequently, unemployment seems bound to rise, though the exact extent will depend on the impact of the Government's various job-creation and preservation measures and on pressure for work-sharing. Several non-Whitehall forecasts have been projecting a rise in the adult jobless total to between 1.5m. and 1.6m. by the end of this year, on a seasonally adjusted basis, compared with 1.35m. at present, with only a gradual decline thereafter. As the TUC Economic Review plaintively notes, GDP would have to grow by around 7 per cent. a year in 1978 and 1979 to achieve the Government's original unemployment objective

of 700,000 in 1979. A growth rate of that order is clearly quite out of reach, and the scope for even a modest stimulus is limited. There is, first of all, the problem of reducing the inflation rate; although a lot of progress has been made since summer 1975, the drop in sterling last year and resulting sharp increase in import cost has led to a deterioration, and what is hoped will be only a temporary hump. The rate of increase in the retail price index was 16.6 per cent. in the year to mid-January, compared with a low of 12.9 per cent. last

year, and the rate could creep up by another couple of points between 1 per cent. and 2 per cent. this year. This is insufficient to match either the underlying growth in productive potential—the increase in output per head from investment sharply and greater efficiency—or the time to affect the annual rate of increase, it is now thought possible that the increase in the 12 months to fourth quarter of this year could be slightly lower than the 15 per cent. rise forecast by the Treasury last December. But this depends on a further reduction in the rate of increase in earnings, so there is no room for risk here.

Similarly, a continuing current account deficit also imposes a tight restraint. There are certainly now hopes of a faster move into surplus than implied by the official forecast in December of a deficit of £1.5bn. this year, the same as in 1976. This is because of the recent strength of sterling and the rapid build-up in North Sea oil production, possibly contributing an extra £1.2bn. this year, rather than any greater bullishness about export volume

merely to compensate for the impact of inflation over the last year, so on present PSBR estimates it is highly unlikely that the real tax burden can be reduced. Mr. Healey is not giving away any clues to the distribution of cuts—so as not to be "drummed out of the Brownsies" in his favourite phrase—but he has said that any reductions should be particularly at the upper and lower ends of the scale to improve incentives and reduce the "poverty trap" problem. Mr. Juel Barnett, the Chief Secretary, said on Thursday, the best way to help the lower paid might be to raise the tax threshold rather than by reintroducing a reduced band to be current circumstances. Further increase in the hands of higher rate tax, as Mr. Healey did in a limited scale last year.

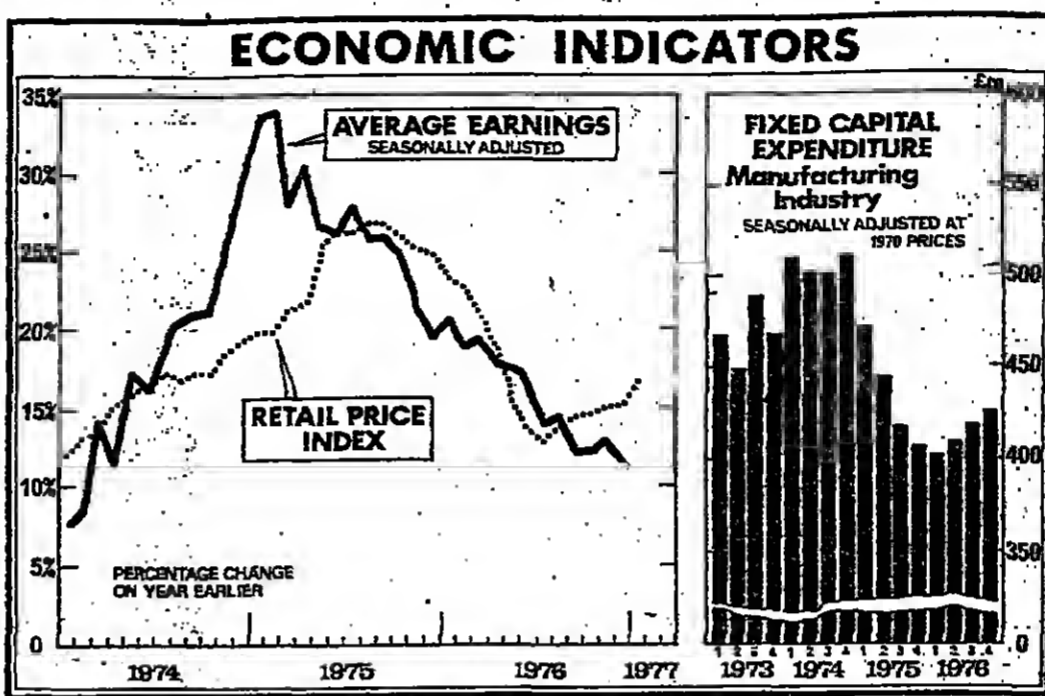
If Mr. Healey wanted to cut income tax by a total of, say, around £1.5bn. to £1.75bn., then he would probably have to offset some of this by increasing indirect taxes, such as VAT. Although this would push up the cost of living, Mr. Healey has recently been talking about switching the tax burden in the long-term more on to indirect taxes. There are unlikely to be any major structural changes in tax this year though there may be a statement about long-term intentions on stock appreciation relief which would come into force in 1978-79.

The Budget will also, of course, be closely linked with the pay talks. While Mr. Healey has been unable to obtain agreement on the next phase after July before the Budget, he has said cuts in tax will depend on the prospects for renewing the pay policy. There is unlikely to be a repetition of last year's formula where specified further cuts were made conditional on agreement on a particular earnings limit. But one possibility is that Mr. Healey will announce a limited amount of tax cuts in the Budget with the promise of further unspecified fiscal action later on, depending on the pay talks and the economic prospects.

of Phase 3, compared with last year. This raises questions, long in certain economic usefulness of a third at all, but the more accepted view is that the usefulness of a third year with a further year of inflation in order to avoid an inflationary explosion. The account of the Government's inflation projections for the year. Since many of the limit blocks consist of large numbers will have to be resisted or producing a reduced band to be current circumstances. Further increase in the hands of higher rate tax, as Mr. Healey did in a limited scale last year.

An acceleration in the rate of earnings with consequent pressures on prices and a time lag on jobs, is one of the potential risks of current strategy. These other possible dangers are set out in an impressive new study from a group of economists published this week in the Midland Review. They argue that the Government's policies are likely to be successful in the short run but that the programme could be self-defeating in the long run if it leads to unemployment which would be costly to the economy. World, a may also rise less than certain despite the stimulus applied by the Carter in the U.S.

There is also the danger of the revival in industrial investment may not continue at the end of this year given the capacity available in sectors, while, on the other hand, if the balance of imports improves strongly, it is a danger of a reversal of the old political business ahead of a general election year. The risks are certainly apparent—and the hope of a sustained, temporary, rise in living standards, output and employment is if the rate of average increase is lower than this. If this can be achieved, there is the real prospect of a substantial cut in inflation, though not perhaps the CBI target of a 5 per cent. annual rate by mid-1978. The small room for manoeuvre and great risks, all the same, can do is to assist in some bargaining and a most hard hit by the most years, but it cannot ward the "New Jerusalem"



Economic Indicators: Average Earnings (Seasonally Adjusted), Retail Price Index (Percentage Change on Year Earlier), Fixed Capital Expenditure (Seasonally Adjusted at 1970 Prices)

Letters to the Editor

Pensions From Mr. W. Tomkins. Sir—Several of your readers have expressed concern on the matter of inflation proofing pensions, one remarking that "No one has attempted to assess the cost without falling into a state of despair." I hope the following figures, which I believe to be reasonably accurate insofar as they relate to the scheme of which I am a member, will be of interest:

	£m. per year
Base salary roll	80
Fringe benefits (20%)	16
Overtime, shift premiums, etc. (say 10%)	8
Total salary roll	104
Pensions currently in payment	3.3
Amount required to protect against 15% inflation rate	0.5
% of total salary roll	0.5%
% to company sales	0.03%

I am bound to ask, in the light of these figures—what is the problem of inflation proofing pensions? As a result of the last negotiations with the trade unions, current salaries were increased by 38 per cent. (payable over a two-year period). It will be seen that an extra 1 per cent. of current salary roll would have effectively dealt with the pension inflation proofing problem—with some to spare! In the event of a problem arising regarding future funding surely this is a risk that can be accepted by the insurance market at little cost. The only inhibiting factor appears to be the inability of trades unions to represent current (and past) members' interests in an effective manner. W. F. Tomkins, 11, Nelmes Close, Hornchurch, Essex.

Power From Mr. J. Goodland. Sir—I am reluctant to cross swords with one of your energetic correspondents, but Mr. Whalley's wheeze (February 28) of exporting advance gas cooled reactor-generated electricity under the Channel is unsound, even if Dungeness "B" at last gets off the ground. The capital costs and the transmission costs would be too great to make this a viable project, and the available uranium too scarce, compared with piling natural gas from say Bacton to Emden, or shipping coal from Drax or Belfour from Goole or Immingham to any continental port. Do we really need gas from Norway/Finland or Statfjord, or oil from Ekofisk, more than our European neighbours? A 2,000 MW cable, as proposed in the present 180 MW cable, causing so much trouble, could help adjust diurnal peak

loads, but would hardly help to match our massive energy glut with an increasing Continental death. John Goodland, Down House, Pyleigh, Tauson, Somerset.

Japanese From Mr. R. MacFarquhar, MP. Sir—I was surprised at the letter from Professor Geoffrey Bowas (February 21) suggesting that I did not know about the century of Japanese studies at the University of Sheffield. I have known Geoffrey Bowas for many years and am certainly aware of the important work done by him and his colleagues. But if his letter drew the attention of your business readers to the facilities at Sheffield, which they might avail themselves, it will have served an important purpose. What I found astonishing in the letter and in the others which I have received from a number of Professor Bowas's colleagues (a correspondence almost as large as that which I have received on the Abortion Amendment Bill), was the apparent sense of outrage at the thought of expanding Japanese studies elsewhere. One might have hoped that my suggestion would have been welcomed by everyone in the Japanese field as designed to increase the resources and students entering it; that surely, it must be agreed, is essential if we are to understand Japan better. Instead, the reaction has been parochial and self-protective. This has only confirmed me in my belief that a new centre would be desirable. Roderick MacFarquhar, House of Commons, S.W.1.

Accountancy From Professor D. Middleton. Sir—Lex is not correct to say (February 21) that "the accountants' current purchasing proposal (for inflation accounting) has already been abandoned." SSAP has not been withdrawn; but even if it had been, CPP remains by far the best way so far suggested to account for inflation. The "Sandilands" Morphet alternative current cost accounting proposals have several drawbacks. CCA's original

claim to provide a useful guide to future long-term earnings was never justified, and has been further undermined by Morphet; many businessmen's eagerness to get tax reliefs is no longer a reason for supporting CCA; implementing CCA is now a clearly recognized as a gigantic practical and educational task; and (perhaps most important) the Sandilands claim that "CCA is a fully comprehensive method of accounting for inflation" has never been accepted. Of course it can be debated whether published financial statements should switch from historic cost accounting (of which CPP is a variant) to current value accounting (of which CCA is a variant), though any such change solely for tax purposes by the accountancy bodies. But the relevance of such a debate does not depend on the existence of inflation. What is surely undeniable is the urgent need for a logically consistent, comprehensive, practicable method of accounting for inflation. That is what CPP provides and CCA does not. D. R. Middleton, Cranfield School of Management, Cranfield, Bedford.

Daltonism From Mr. L. Stidwell. Sir—Your yachtsman who complains he cannot discern the red and green buoyage system (February 28, page 3) need have no qualms. He only needs a primitive lorgnette—one eyepiece primary red and the other primary green (plastic or glass) on a tape hung around his neck. When he looks at a ship's light or a buoy he observes it with, say, the red filter and if the navigation light or buoy is green it will be obliterated (or "black") and vice versa with the green and red, since both are complementary colours. Colour blindness is common among men and is generally confined to red and green and then only partially so. That is to say, a bright red-green can be correctly named but a distant "small" light cannot be determined. This system of filters, used by a number of navigators (who are not that colour-blind) with very small

far-distant lights. The sooner you know aooter ship's bearing, the better! L. Stidwell, 11, Orchard Close, Andreas, Isle of Man.

Dependants From Mr. M. Hennessey. Sir—Mr. F. Stark (March 2) tells me that as a hirsutous everything material that I get to life is provided by the private section of the community. I am not quite clear what that is supposed to prove. Everything that Beethoven received materially came from other members of society, but I doubt if his contemporaries expected him to feel guilty about it. Certainly, try as I might, I cannot consider myself more of a drag on society than bakers, or insurance brokers or even bookmakers. Carried to its logical conclusion, which is an effort apparently beyond the snipers at the Civil Service, this generalised argument would have only farmers, miners, fishermen and oil extractors as truly worthy citizens, since we are all dependent on them. It would, however, be a strange and comfortable world if we were all in those occupations. M. Hennessey, 13, Allington Drive, Tombridge, Kent.

Battalions From Mr. W. Whitworth. Sir—It is arguable that "battalion strength" (between 500 and 1,000) is no accident; and it has survived for a very long time, probably because it is the limit for satisfactory communication, leadership and control. This would support the director, CIP, Sheffield City Polytechnic (March 1). A "small" company of battalion strength, however, is greatly strengthened by staff support and technical or professional expertise. This would support Mr. Monk (February 23). The trick would seem to be in getting this balance right; and I suspect the men who can lead the larger units are relatively few and far between, although they do exist. W. B. Whitworth, Horseshoe Cottage, Mach Hadham Heris.

Goliath From Mr. P. McCaig. Sir—British Leyland is surely a prime example of "Eig is not beautiful." Unless that Goliath of an organisation is broken up into a number of relatively small, quite autonomous companies, for example Rover, Jaguar, etc., with separate and quite independent managements and trade union bodies—there can be no hope for this mammoth employer, or indeed, of management end of

respondingly lower and would not mean the partial loss claims which he made. Insurers would then have to charge higher rates to compensate for the diminished loss reserves. We all know the principle of insurance is that "the losses of the few be borne by the many" and since most of us would wish, following a loss to be placed in the position that we were in before that loss, it does not seem reasonable to expect the insurers to do other than to try and persuade their clients to insure for the replacement value. L. N. Clarke, 34, New Road, Greenham, Newbury, Berks.

Insurance From Mr. L. Clarke. Sir—Major E. R. Galside's letter (March 3) clearly invites a reply. If one was only concerned with claims for total loss following fire etc. one could accept that a policyholder could choose the level of indemnity that he required. If this was well below the rebuilding cost of the premises and the policyholder was aware of this he would only have himself to blame if he was out of pocket following total destruction. It must be remembered however that the majority of claims are for partial loss and accordingly the majority of the premium fund collected by insurers goes to pay these partial losses. If the rates which the insurers apply to the insured value were to be applied to lower values than the total reinstatement cost, the premium fund would be cor-

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The thriving airway to the Isles

BY RAY PERMAN, Scottish Correspondent

BROAD brown stripes have to be washed down to prevent the green showing through. The airframe has been overhauled before our aircraft...

Local events On any flight you are likely to find yourself sitting next to a lighthouseman, a district nurse or a peripatetic teacher...

They can be relied on to know the geography of the country over which they fly, sometimes he experts on the local wildlife and occasionally even the shipping movements.

and is now a wholly-owned subsidiary of the bank's successor, the Royal Bank of Scotland.

The Loganair fleet is now 14 aircraft, half of them British-Norman Islanders which are ideal for the grass airstrips. They have a capacity of eight passengers and the ability to take off and land in very short distances, even on rough ground.

On huster routes Trilanders, extended versions of the Islanders with a third engine in the tailplane, can carry 15 passengers. Cheap to run and easy to maintain, they can operate in places that larger aircraft cannot use.

But more important than the aircraft are the pilots. Unlike the men who fly big airliners who may never see their passengers, Loganair pilots get to know many of theirs by name.

Pilots running the outstations, Lewis, Orkney and Shetland, tend to identify closely with the community and are given a large measure of autonomy to shape the airline

Not everyone settles easily to the life. "With only eight passengers sitting behind the pilot we can't afford to pay 707 level salaries," says Capt. McIntosh.

Taking over routes which others have left as unprofitable is not the easiest way to build up an airline. Some routes are subsidised (Loganair currently receives about £125,000 from the Scottish Office and local authorities).

Often the air service complements an existing sea service which brings in cargo. The Orkney Islands Shipping Company agreed to pay Loganair to run passengers between the islands rather than paying the very much higher cost of buying a new passenger vessel and doing essential dock and harbour work.

The company's losses have been high, but when this year's results are published in the summer they are expected to break even or better.

Ambulance

Loganair pilots are brought into contact literally with the life and death of the community they serve by flying ambulance flights: taking emergency cases to hospital, patients for treatment and expectant mothers to the maternity ward.

LABOUR NEWS

Police Federation seek change in strike law

ALAN PIKE, LABOUR STAFF POLICE FEDERATION, Mr. James Jardine, general secretary, is to dispute with the government over pay, is to seek repeal of the section of the Police Act which deprives the right to strike...

Management excluded Plessey work-in starts

CHRISTOPHER LORENZ, ELECTRONICS CORRESPONDENT MORE THAN 300 Plessey employees started a "work-in" today at one of the three sites faced with closure...

Protest stops Hull docks

HULL DOCKS were brought to a standstill yesterday by members of the National Union of Railwaysmen protesting against British Rail's announcement that it intends to end rail services to the commercial docks.

Call to Tories on pay policy

BY CHRISTIAN TYLER, LABOUR CORRESPONDENT RESOLUTION calling on the Conservative Party not to introduce a wage restraint if returned to power will be debated by about 30 Conservative trade unionists in Nottingham today.

Fiesta takes 5.6% of sales

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

THE NEW Ford Fiesta made a successful entry into the British market last month, collecting 5.6 per cent of all new car sales during the best February for the industry since 1973.

This figure, due to be officially confirmed next week, is in line with Ford's aim for the new model. However, the car has not yet given the company sufficient sales impetus to push it past British Leyland to the top of the U.K. market league.

According to preliminary registration figures for the month issued by the Society of Motor Manufacturers and Traders yesterday, Leyland is still leading the market with a 27.7 per cent share of sales (35,420), followed by Ford with 25.5 per cent (32,608 sales) and Vauxhall with 10.6 per cent (13,396).

Leyland Mini sales came out at 6,550 last month, compared with 8,900 cars in February, 1976. Part of this fall is undoubtedly due to the Fiesta launch.

Bahrain joins Saudis in prices campaign

BY DOINA THOMAS

SAUDI ARABIA has persuaded Bahrain to join its campaign against foreign companies whose prices to Gulf governments are believed to be becoming too high.

During a three-day visit to Bahrain, Dr. Ghazi al Gossabi, Saudi Arabian Minister for Industry and Electricity, was the support of his Bahrain counterpart, Mr. Majid al Jishi, Minister for Works and Water.

TO-DAY—Prime Minister addresses Labour Party Greater London Regional Council meeting. Margaret Thatcher at Conservative Trade Union conference, Nottingham.

SUNDAY—Mr. Gerald Kaufman, Industry Minister of State, speaks at Scottish TUC conference on shipbuilding, Glasgow.

MONDAY—European Central Bankers begin two-day meeting in Basle. Prime Minister meets police delegation on pay dispute, Downing Street. Bread price increase, TUC Parliament in session.

TUESDAY—Aircraft and Industries Bill second reading in Lords. EC Council Ministers meet in Brussels. U.K. balance of payments (4th qtr.). Provisional vehicle production figures and estimate of new car registrations (Feb.).

WEDNESDAY—Prime Minister visits Washington for talks with President Carter. TUC economic committee meets. Mr. Roy Hattersley, Prices Secretary, at Foreign Press Association luncheon, 11, Carlton House Terrace, S.W.1. NALGO and NUPE one-day strike against spending cuts, Scotland. Scottish TUC demonstrates against public spending cuts, Glasgow. U.K. banks' elliptical liabilities, reserve ratio and special deposits (mid-Feb.). London clearing banks' monthly statement (mid-Feb.).

THURSDAY—National Union of Transport workers executive meets. TUC women's conference opens in Weymouth. Port Authority of New York decision expected on Concorde. Two-day Financial Times conference—European Business Forum opens in Rome.

FRIDAY—Mrs. Shirke Williams, Education Secretary, opens Association of Assistant Mistresses conference, Bloomsbury Centre Hotel, W.C.1. Labour Party Scottish conference opens in Perth. Building Societies' receipt and loans (Feb.). Usable steel production (Feb.). Company liquidation survey (4th qtr.).

COMPANY IN THE NEWS The Falkland Islands Company and its sheep

BY TERRY WILKINSON

THE FALKLAND Islands Company, the only surviving Chartered company from the Victorian era, first appeared on the City map in 1872 when Dundee, Perth and London Securities, with the backing of Slater Walker, launched a successful £1m. take-over bid for the company.

The following year, after a last-minute breaking off of talks with AAL, the fuel distributors, Dundee, Perth and London was itself taken over for £7m. by Charrington, Gardiner Lockett—now Charrington Industrial Holdings.

Here, perhaps rather incongruously, Falkland Islands Company ranges alongside Charrington's interests in fuel distribution and vehicles. At the time of the original acquisition, its interests were not exclusively confined to the Falkland Islands.

A large proportion of its profits came from a ship store business in Southampton to which a bonded warehouse business was added in 1971. Gradually these have been absorbed in the Charrington group and to Charrington shareholders, the Falkland Islands Company stands for local sheep farming, contributing about 12 per cent of group trading profits in the first nine months of the current financial year.

As the Shackleton Report on the Falkland Islands made clear last year the future of the company, because of its dominant role in the local economy, is closely intertwined with that of the islands. After its incorporation in 1951 by Royal Charter, the company acquired the area of Lafonia on East Falkland and, subsequently, extensive tracts of land throughout the islands where

it developed shipping and merchanting activities. From its head office in Whitechapel High Street in London the company controls 1.3m. acres or 46 per cent of the land on the islands and has a flock of 280,000 sheep, almost half the total with the rest shared among independent farmers and small family companies and partnerships. The company employs directly about one-third of the island's total workforce and of last year's wool crop of 2.1m. kilos the company accounted for some 1m. kilos.

Sheep farming is therefore the dominant source of profits but after making profits of over £1m. in 1975 and 1974 a slump in the wool price from an average 107p to 51p a kilo in 1975 cut profits back to only £37,000. Since then prosperity has returned with average prices last year in the 92p a kilo range and expected to reach 110p this year.

To the islanders, the company's sheep farming activities are only a part of its total influence on their lives. The company holds a dominant position in retail distribution, covering the entire range of consumer needs—meeting competition only from small specialist stores dealing in spirits and cigarettes. Turnover is about £3.5m. and while profitable does not offer a high rate of return. Large stocks of goods have to be carried as the cargo boat carrying the islands' supplies docks only once in three months and the rate of turnover of stock, because of the range, is low.

On the services side, the company provides all the coastal shipping, bulchery and carpentry facilities, is the sole agent for every airline, Lloyds and Royal Insurance, conducts the sale of most of the island's wool clip, and provides housing for its employees.

The money saved by the company's employees, and others, after purchasing the island's goods is handed by its banking side. Individual remittances of money to relatives in the U.K. probably total 260-270,000 a year and organised investment outflows would perhaps total 100,000. The company has aspirations to make the island's capital, Stanley, a financial centre on a par with, say, Gibraltar, but so far the Foreign Office has not been willing to grant a limited tax haven status to the islands.

And the rapid changes of ownership and the diplomatic hurly-burly of the last few years life at the unique Falkland Islands Company goes on. Next week the first annual shipment of Falkland wool arrives in England. The company's earlier brush with City "whiz-kids" resulted in a deed which gives pre-emption rights to the Sheepfarmers Association in the event of a take-over, on paper a stumbling block to predators.

Mr. Rowland Hall, Chairman of Charrington said yesterday that it was a "pure coincidence" that his company took on board Falkland Islands Company when it acquired Dundee, Perth and London and admitted that there was little commercial logic to its role in the group.

"But frankly we were happy to do it, in spite of the hiccup in 1975, happy now with our investment," said Mr. Hall. "It should, after all, make about £400,000 this year."

Economic Diary

Interest rates are now falling. That means your savings could well be earning less than a few months ago. When you are considering a new home for those savings, think about the future and the possibility of investing where you can obtain a high initial income and the prospect of that income increasing as the years go by.

Allied Hambro offer a high income and a chance of beating inflation

10% (estimated current gross yield) You can buy Allied Hambro High Yield units by filling in the coupon below and posting it with your cheque. If you need time to withdraw money on deposit please delete the "cheque enclosed" section of the coupon. We will send you a confirmation of allotment of units and your cheque can follow. If you are in any doubt whether this fund suits your particular needs, consult your professional adviser. Your investment should be regarded as long term.

Remember, the price of units and the income from them can go down as well as up. Units in Allied Hambro High Yield Fund are offered at a fixed price of 50.0p x.d. until 11th March 1977

Application for units in Allied Hambro High Yield Fund at 50.0p x.d. each. (Note: This offer will close not later than 11th March 1977.) I/We apply for units (minimum 200) and enclose a cheque, payable to Hambros Bank Ltd. for £. I/We require details of your Share Exchange Plan [] Tick here



Allied Hambro High Yield Fund (This offer is not available to residents of the Republic of Ireland)

Spokesong

Hambro offer

SUMMARY OF THE WEEK'S COMPANY NEWS

seacham Group is buying for \$22m. the Calgon consumer subsidiary of Merck and Co. the big U.S. pharmaceutical...

acquired control of Floreat Investment, another investment company, in a deal which values Floreat in excess of £870,000.

Table with columns: Company bid for, Value of bid share price, Market price, Price Value before bid, Final Bidder, and Date.

Table with columns: Company, Bidder, and Price.

Table with columns: Company, Year to, Pre-tax profit, Earnings, Dividends, and other financial metrics.

INTERIM STATEMENTS

Table with columns: Company, Half-year, Pre-tax profit, and Interim dividends.

PRELIMINARY RESULTS

Table with columns: Company, Year to, Pre-tax profit, Earnings, Dividends, and other financial metrics.

Offers for sale, placings and introductions

Five Regional Council: Issue £10m. 13 1/2 per cent. Redeemable Stock 1983-84 at £9 1/2 per cent.

Rights Issues

BTR: One-for-five at 140p each. Habit Precision Engineering: Three-for-two at 20p each.

Scrap Issues

Arnott and Co. Dublin: One-for-two. British Vita: One-for-one.

POINTMENTS

Chairman change at Mears Bros.

George Middleton, a director of Mears Bros. Holdings, has been appointed chairman, succeeding Mr. L. Stephenson...

FORWARDERS for 1977-78

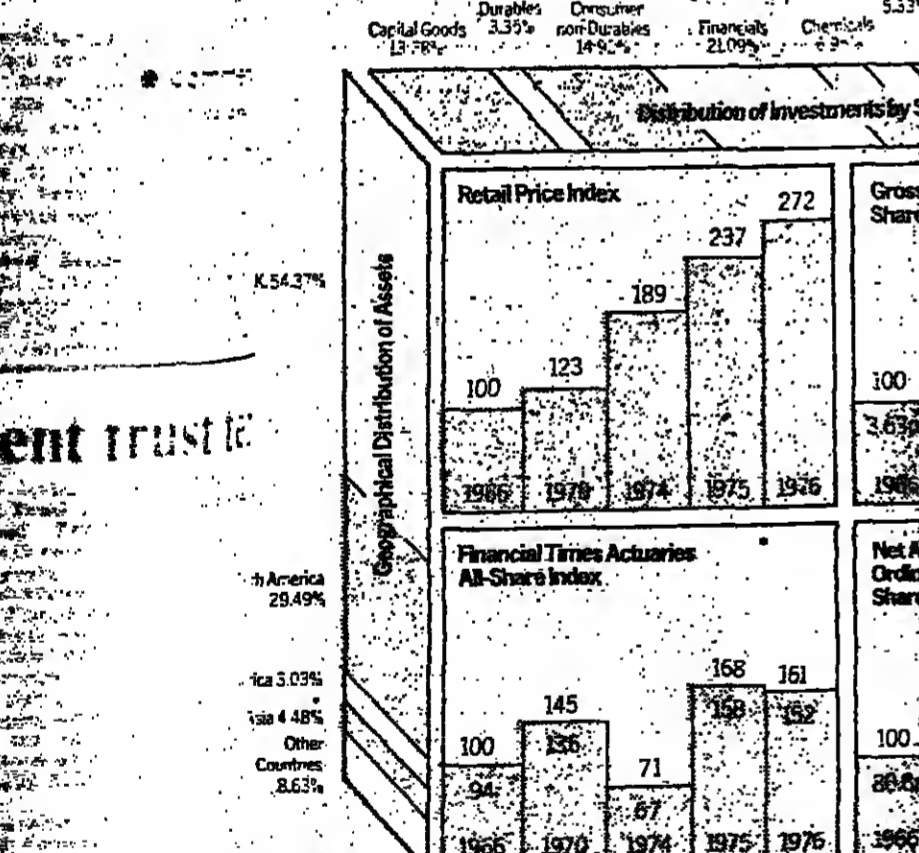
Mr. Peter S. Brewis has been appointed to the most important Board of the BEMROSE CORPORATION. He is managing director of Bemrose and Sons.

GROUP. He is senior partner of Garner and Co.

Mr. Peter S. Brewis has been appointed to the most important Board of the BEMROSE CORPORATION. He is managing director of Bemrose and Sons.

The Standard Trust Limited

Total Assets at 31st December, 1976: £39.3 million.



A member of the Touche, Remnant Group of Companies. Total funds under management exceed £600 million.

Mr. Leslie Lattar has been appointed director-general of MERSEYBIDE TRANSPORT, succeeding Mr. Arthur McEath, who has retired.

Mr. William Hennessey has been appointed a vice-president of ELLIOTT OVERSEAS COMPANY, a subsidiary of Carrier Corporation, U.S. He is based in London.

Mr. Martin Shouquist has been appointed director and general manager of L. B. FOSTER and Mr. Richard Smith has been appointed financial director.

Mr. Simoo Klogwell has been appointed by the WHITE FISH AUTHORITY to the newly created position of fish-farming consultant.

Mr. E. R. M. Drake has been appointed a director of FENCHURCH REINSURANCE BROKERS, a member of the Fenchurch Insurance Holdings Group.

Mr. A. R. Smith has been appointed commercial director of T. TUBE PRODUCTS, a member of the steel tube division of Tube Investments.

Mr. R. L. Keedy is retiring as an executive director of JOSEPH TERRY AND SONS on February 25, but will continue as a consultant.

Mr. C. H. Bush has been appointed assistant managing director of NORTH WEST SECURITIES GROUP.

Mr. Roy Garner has been appointed chairman and managing director of the H. GOLDMAN GROUP.

Mr. Neville Cooper, director, administration, Standard Telephones and Cables, has been appointed to the Board of Management of the ENGINEERING EMPLOYERS' FEDERATION.

Mr. Richard Baker, managing director of Barbour Index, has been appointed to the Board of SPECIFILE (PTY.), South Africa.

Mr. John Webb, deputy chairman and managing director of STANLEY GIBBONS, is to retire from the company this month but will remain a consultant.

Mrs. E. E. Marsh and Sir Norman W. Graham have become members of the COUNCIL ON TRIBUNALS.

Mr. J. E. Forrest has retired from the Board of BROWNLEE AND CO.

Mr. L. E. Quick and Mr. P. A. Peacock have been appointed directors of SPRING GROVE INDUSTRIAL SERVICES, a subsidiary of the Charterhouse Group. Mr. Peacock has also become managing director of Spring Grove Salinity Services.

Mr. D. G. Hansoo has joined the Board of the LIVERPOOL BUILDING SOCIETY. Mr. Hansoo was, until recently, chairman of Barclays Unicom and managing director of Barclays Bank Trust. He is a member of the Manchester Board of Barclays Bank.

The council of the ROYAL WARRANT HOLDERS ASSOCIATION has elected the following officers for 1977-78: Mr. R. E. Stevens, president; Mr. Richard Roberts, vice-president; and Mr. Edward Rayne, honorary treasurer.

ENTERTAINMENT GUIDE

Opera & Ballet: Apollo, 01-437 2883. Evening 8.00. Mat. 5.00. Sat. 6.00. Sun. 4.00. The Royal Ballet, 01-437 7611. 7.30. Mat. 7.30. Sat. 8.15. Sun. 4.00.

Theatres: King's Road, 352 7488. Mon. to Thurs. 9.00. Fri. Sat. 9.30. Sun. 7.30. The Old Vic, 01-437 3586. Evenings 8.00. Mat. Wed. 5.00. Sat. 5.00 and 8.00.

Theatres: Phoenix Theatre, 01-438 8811. Evenings 8.00. Mat. 5.00. Sun. 4.00. Piccadilly, 437 4508. Mon. to Fri. 8.00. Sat. 8.00. Sun. 4.00.

Theatres: Round House, 267 2564. Evenings 8.00. Mat. 5.00. Sun. 4.00. Savoy, Mon. Wed. 7.30. Sat. 8.00. Sun. 4.00.

CINEMAS: Wembley Empire Pool, 01-256 5551. Last Perfs. Today at 2 and 8. Sat. 2.00 and 8.00. Sun. 2.00 and 8.00.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Up 5 on economic outlook

BY OUR WALL STREET CORRESPONDENT

THE UPWARD movement made further headway on Wall Street today, when the Stock Market appeared to be more optimistic about the longer term economic outlook although investors remained cautious because of inflation expectations.

The Dow Jones Industrial Average rose another 4.82 to 933.46, making an advance of 20.03 on the week, while the NYSE All Company Index, at \$4.96, gained 19 cents on the day and 89 cents on the week. Rises led falls by 834 on the week, while the trading volume expanded 130M shares to 18.85M.

The Labour Department reported a smaller than expected increase in February unemployment...

FRIDAY'S ACTIVE STOCKS

Stock	Change
Aluminum	+1.18
Bank of Montreal	+0.24
Canadian Pacific	+0.54
Dominion	+0.22
Imperial Oil	+0.22
Manitowick	+0.48
Northwest	+0.26
Royal Bank	+0.28
St. Lawrence	+0.34
Toronto-Dominion	+0.54
Western Union	+0.28
Windsor	+0.26

NEW YORK, March 4.

MARKETS—Marked selling in all sectors, Papelesa Española however, were in demand and up to 100.

AMSTERDAM—Generally steady.

BREMEN—Generally steady.

BUSSELS—Mixed in quiet, copper and trading, with political developments, and a local transport strike having a dampening effect.

FRANKFURT—Generally steady.

GENOVA—Generally steady.

LONDON—Generally steady.

MADRID—Generally steady.

MILAN—Generally steady.

PARIS—Generally steady.

PRAGUE—Generally steady.

ROME—Generally steady.

ST. LOUIS—Generally steady.

VIENNA—Generally steady.

OTHER MARKETS

Canada up again
Canadian Stock Markets also gained further ground on a moderately active trading yesterday. Only Banks and Papers moved against the general trend.

STOCK EXCHANGES—Narrowly mixed in dull trading. Leading Banks steady. Financials little changed. Insurance mixed. Industrials firm.

COPENHAGEN—Banks lower, Communications and Commodities lower, Industrials steady.

FRANKFURT—Slightly higher in continued quiet activity.

HONG KONG—Mixed in quiet trading.

TOKYO—Mixed after late profit-taking on early gains. Volume revived speculation of a cut in the official discount rate, but fears of import curbs in the U.S. later prompted liquidations.

Non Ferrous Metals generally higher. But Shipbuilding, Pharmaceuticals, Steel Mills, Paper-Pulp and Textiles shed DOLLARS.

SOMMERSETT—Gold shares firm in thin trading.

Financial Minings also firm, as did Copper, while Platinums extended Thursday's gains. Other Minerals mixed. Tin improved. Industrials fractionally softer.

NEW ZEALAND—Markets fell. Central Bank raised 10 per cent to 8.50, and BRP dropped 25 per cent to 6.50 on news of the possible shutdown of its Port Kembla steel plant.

TNT firm 2 cents to 137. Local stocks little changed.

WALL STREET (continued)
The American SE Market Value Index was up 0.32 at 11.47, making a rise of 0.38 on the week. Advancing issues outnumbered decliners by 348 to 241.

Oil and gas stocks were up 81 to \$14.75 on a report from Ethyl Corp. moved ahead \$1 to \$45.11 in offering to buy 750,000 of its own Common shares at \$46 each.

Oklahoma Natural Gas were up \$1 to \$14.75 on a report from Mountain Fuel Supply improved \$2 to \$4.42 on the successful completion of three gas wells in Wyoming and the testing of a fourth.

P. R. Mallory rose \$1 to \$37.15 in quiet trading. Improvements in first quarter results. Bancal Tri-State were lifted \$2 to \$22.15, while Oak Industries were up \$1 to \$14.75.

Marathon Oil rose \$1 to \$14.75 on a report from the company's production of oil from its wells in Oklahoma.

The American SE Market Value Index was up 0.32 at 11.47, making a rise of 0.38 on the week. Advancing issues outnumbered decliners by 348 to 241.

OVERSEAS SHARE INFORMATION

NEW YORK	Stock	Mar. 4	Mar. 3	Stock	Mar. 4	Mar. 3	Stock	Mar. 4	Mar. 3
Alcoa	44 1/2	44 1/2	44 1/2	Deere	33 1/2	33 1/2	General Electric	43 1/2	43 1/2
Amalgamated	27 1/2	27 1/2	27 1/2	Eastman	27 1/2	27 1/2	International Harvester	27 1/2	27 1/2
Amstar	27 1/2	27 1/2	27 1/2	Exxon	27 1/2	27 1/2	Johnson & Johnson	27 1/2	27 1/2
Anchor	27 1/2	27 1/2	27 1/2	General Motors	27 1/2	27 1/2	Merck	27 1/2	27 1/2
Armstrong	27 1/2	27 1/2	27 1/2	Hercules	27 1/2	27 1/2	Pfizer	27 1/2	27 1/2
Atlantic	27 1/2	27 1/2	27 1/2	Johnson & Johnson	27 1/2	27 1/2	Schering	27 1/2	27 1/2
Aviation	27 1/2	27 1/2	27 1/2	Merck	27 1/2	27 1/2	Tylenol	27 1/2	27 1/2
Barnhart	27 1/2	27 1/2	27 1/2	Pfizer	27 1/2	27 1/2	Upjohn	27 1/2	27 1/2
Beaumont	27 1/2	27 1/2	27 1/2	Schering	27 1/2	27 1/2	Wm. S. & Co.	27 1/2	27 1/2

CANADA	Stock	Mar. 4	Mar. 3
Aluminum	10 1/2	10 1/2	10 1/2
Bank of Montreal	10 1/2	10 1/2	10 1/2
Canadian Pacific	10 1/2	10 1/2	10 1/2
Dominion	10 1/2	10 1/2	10 1/2
Imperial Oil	10 1/2	10 1/2	10 1/2
Manitowick	10 1/2	10 1/2	10 1/2
Northwest	10 1/2	10 1/2	10 1/2
Royal Bank	10 1/2	10 1/2	10 1/2
St. Lawrence	10 1/2	10 1/2	10 1/2
Toronto-Dominion	10 1/2	10 1/2	10 1/2
Western Union	10 1/2	10 1/2	10 1/2
Windsor	10 1/2	10 1/2	10 1/2

Indices

NEW YORK—DOW JONES

Index	Mar. 4	Mar. 3	Mar. 2	Mar. 1	Feb. 28	Feb. 27	Feb. 26	Feb. 25	Feb. 24
Industrial	933.46	933.46	933.46	933.46	933.46	933.46	933.46	933.46	933.46
NYSE Composite	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47
Transport	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47
Utilities	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47	114.47

STANDARDS AND POORS

Index	Mar. 4	Mar. 3	Mar. 2	Mar. 1	Feb. 28	Feb. 27	Feb. 26	Feb. 25	Feb. 24
Industrial	112.60	112.60	112.60	112.60	112.60	112.60	112.60	112.60	112.60
Composite	101.20	101.20	101.20	101.20	101.20	101.20	101.20	101.20	101.20

NEW YORK—DOW JONES

When Dominic Wigan's new (Approaching 2.11 won on Newbury yesterday it brought his taps profit for the season to £16.33 on a £1 level stake—£13.34 more than his nearest rival.

ACROSS

- 1 Daily woman is master of personal magnetism (S)
- 5 Interval is welcome after a month (6)
- 9 Gathering it's where nine goes to put and leaves (3, 5)
- 10 You don't say it's a fashionable thing to do (6)
- 11 Enthusiast with portable video (8)
- 12 Director writing about frontal (4, 2)
- 14 Companion shown by groom (5, 5)
- 18 Safari member after celebrated scamp (4, 6)
- 22 Pairo architect with church (6)
- 23 Vol to say don't disturb (3, 5)
- 24 Doctor Mr. Heath examined (8)
- 25 Don't rush in to suspend footballer (4, 4)
- 26 A fault concerning girl (6)
- 27 Reax Nye differently to 1978 (4, 4)

DOWN

- 1 Copper upper-class gent (5, 5)
- 2 A boat? Away with you (6)
- 3 Provisional as my question is for Middle-Eastern (6)
- 4 Striking red-head on brink of victory (5, 5)
- 6 Study stipend contract (8)

SOLUTION AND WINNERS

Word	Solution
ACROSS	
1	Daily woman is master of personal magnetism (S)
5	Interval is welcome after a month (6)
9	Gathering it's where nine goes to put and leaves (3, 5)
10	You don't say it's a fashionable thing to do (6)
11	Enthusiast with portable video (8)
12	Director writing about frontal (4, 2)
14	Companion shown by groom (5, 5)
18	Safari member after celebrated scamp (4, 6)
22	Pairo architect with church (6)
23	Vol to say don't disturb (3, 5)
24	Doctor Mr. Heath examined (8)
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26	A fault concerning girl (6)
27	Reax Nye differently to 1978 (4, 4)
DOWN	
1	Copper upper-class gent (5, 5)
2	A boat? Away with you (6)
3	Provisional as my question is for Middle-Eastern (6)
4	Striking red-head on brink of victory (5, 5)
6	Study stipend contract (8)

F.T. CROSSWORD PUZZLE No. 3322

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword, and addressed to the Financial Times, 10, Cannon Street, London, EC4A 3DF. Winners and solution will be given next Saturday.

RACING BY DOMINIC WIGAN

Sir Garnet should impress again

SIR GARNET has been showing signs of improvement in the past few months and looks set to add to his already impressive record with a victory in today's Greycall Whitley Brewery Chase.

The Gordon Richards gelding, whose last outing produced a second-place behind Andy Pandy in the Malcolin Fudge National Trial Chase at the last meeting here, has gained two of his three victories in the present campaign on this course.

A six-lengths winner of an amateur riders' class before Christmas, Sir Garnet then set the better of Roystar at Ayr.

When Dominic Wigan's new (Approaching 2.11 won on Newbury yesterday it brought his taps profit for the season to £16.33 on a £1 level stake—£13.34 more than his nearest rival.

MILAN

Stock	Mar. 4	Mar. 3
Ata	110	110
Banque	110	110
Eni	110	110
Fiat	110	110
Generale	110	110
Ilva	110	110
Indesit	110	110
Italcristallo	110	110
Itas	110	110
Montedison	110	110
SEI	110	110
Stet	110	110
Terna	110	110
Telecom	110	110
Unicredit	110	110
Eni	110	110
Ilva	110	110
Indesit	110	110
Italcristallo	110	110
Itas	110	110
Montedison	110	110
SEI	110	110
Stet	110	110
Terna	110	110
Telecom	110	110
Unicredit	110	110

AUSTRALIA

Stock	Mar. 4	Mar. 3
ANZ	100	100
Bank of NSW	100	100
Commonwealth	100	100
CTB	100	100
Westpac	100	100

GERMANY

Stock	Mar. 4	Mar. 3
Adidas	100	100
Beiersdorf	100	100
Dresdner Bank	100	100
Heraeus	100	100
Industrie Union	100	100
Leibniz	100	100
Mercedes-Benz	100	100
Merck	100	100
Porsche	100	100
Preussag	100	100
Rheinmetall	100	100
Salzgitter	100	100
Siemens	100	100
Volkswagen	100	100

AMSTERDAM

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100
AMSTERDAM GAS	100	100
AMSTERDAM WATER	100	100
BOUWERIJEN	100	100
CONCREET	100	100
EDIPART	100	100
EURORENT	100	100
HEERLEN	100	100
HEERLEN WATER	100	100
HEERLEN GAS	100	100
HEERLEN WATER	100	100
HEERLEN GAS	100	100
HEERLEN WATER	100	100

STOCKHOLM

Stock	Mar. 4	Mar. 3
AGA AB	100	100
ALFA ROMEO	100	100
ANDRA	100	100
ASTORIA	100	100
BECKER	100	100
BILLAGEN	100	100
BONNER	100	100
BRIDGESTONE	100	100
BRIDGESTONE	100	100
BRIDGESTONE	100	100

PARIS

Stock	Mar. 4	Mar. 3
Alcatel	100	100
Alcatel	100	100
Alcatel	100	100

TOKYO

Stock	Mar. 4	Mar. 3
Asahi	100	100
Fuyo	100	100
Industrial Bank	100	100
Mitsubishi	100	100
Sanwa	100	100
Sumitomo	100	100
Yokohama	100	100

VIENNA

Stock	Mar. 4	Mar. 3
Bank Austria	100	100
Erstbank	100	100

BRUSSELS/LUXEMBOURG

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100

MILAN (continued)

Stock	Mar. 4	Mar. 3
Ata	110	110
Banque	110	110

AUSTRALIA (continued)

Stock	Mar. 4	Mar. 3
ANZ	100	100
Bank of NSW	100	100

GERMANY (continued)

Stock	Mar. 4	Mar. 3
Adidas	100	100
Beiersdorf	100	100

AMSTERDAM (continued)

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100

STOCKHOLM (continued)

Stock	Mar. 4	Mar. 3
AGA AB	100	100
ALFA ROMEO	100	100

PARIS (continued)

Stock	Mar. 4	Mar. 3
Alcatel	100	100
Alcatel	100	100

TOKYO (continued)

Stock	Mar. 4	Mar. 3
Asahi	100	100
Fuyo	100	100

VIENNA (continued)

Stock	Mar. 4	Mar. 3
Bank Austria	100	100
Erstbank	100	100

BRUSSELS/LUXEMBOURG (continued)

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100

MILAN (continued)

Stock	Mar. 4	Mar. 3
Ata	110	110
Banque	110	110

AUSTRALIA (continued)

Stock	Mar. 4	Mar. 3
ANZ	100	100
Bank of NSW	100	100

GERMANY (continued)

Stock	Mar. 4	Mar. 3
Adidas	100	100
Beiersdorf	100	100

AMSTERDAM (continued)

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100

STOCKHOLM (continued)

Stock	Mar. 4	Mar. 3
AGA AB	100	100
ALFA ROMEO	100	100

PARIS (continued)

Stock	Mar. 4	Mar. 3
Alcatel	100	100
Alcatel	100	100

TOKYO (continued)

Stock	Mar. 4	Mar. 3
Asahi	100	100
Fuyo	100	100

VIENNA (continued)

Stock	Mar. 4	Mar. 3
Bank Austria	100	100
Erstbank	100	100

BRUSSELS/LUXEMBOURG (continued)

Stock	Mar. 4	Mar. 3
ABN-AMRO	100	100
AKZO	100	100

MILAN (continued)

Stock	Mar. 4	Mar. 3
Ata	110	110
Banque	110	110

AUSTRALIA (continued)

Stock	Mar. 4	Mar. 3
ANZ	100	100
Bank of NSW	100	100

Source: Nikko Securities.

HOME NEWS

Hattersley reaffirms decision to stay out of Babcock bid

TERRY WILKINSON, CITY STAFF
HATTERSLEY, Secretary of State for Prices and Consumer Protection, reaffirmed today that he has no intention of intervening to stop Babcock and Wilcox's bid for the takeover of British Steel...

Managers to see Dell on Bullock

By John Elliott
LEADERS of the British Institute of Management are to meet Mr. Edmund Dell, Trade Secretary, on Monday to urge him not to introduce legislation based on the Bullock Report on industrial democracy...

OVERSEAS NEWS

Army called out in cities for Pakistan elections

BY DAVID HOUSEGO, ASIA CORRESPONDENT
TWO ARMY brigades have been moved from their barracks outside Karachi and Lahore and deployed closer to the centres of Pakistan's two largest cities...

Spain may get major new party

MADRID, March 4.
WITH PROBABLY less than 100 days to go before the first General Election in Spain for more than 40 years, nearly 150 political parties have now pooled for legislation...

UARY A. Carr

UARY A. Carr, president of V. Ward, the Sheffield engineering and merchant company, is attending a week, the age of 75...

Travel agents launch plan to boost falling bookings

BY JAMES McDONALD
A £200,000 national advertising campaign to revive the sagging British holiday travel industry was launched yesterday by the Association of British Travel Agents...

Patent Convention ratified

Financial Times Reporter
BRITAIN HAS ratified the European Patent Convention, the Department of Trade announced yesterday...

Dutch in talks with SEC

BY JAY PALMER
NEW YORK, March 4.
SENIOR OFFICIALS of the Amsterdam Stock Exchange have been holding talks with the U.S. Securities and Exchange Commission...

Mary Kathleen to receive financial aid of \$A6m.

BY PAUL CHEESERIGHT
AUSTRALIA'S only uranium producer, the loss-making Mary Kathleen mine, is to receive financial aid of \$A6m. (£3.94m.)...

Amro bank plans 'rights' issue

BY MICHAEL VAN OS
AMSTERDAM, March 4.
Amro Bank, Holland's second largest commercial bank, today announced a rights issue which should raise equity by around Fl.90m.

INTERNATIONAL COMPANY NEWS

Amro Bank, Holland's second largest commercial bank, today announced a rights issue which should raise equity by around Fl.90m.

First Viking Commodity Trusts
Commodity OFFER 40.7 BID 38.7X
OFFER 98.0 BID 93.0

COMMODITY GAINS TAXED AS INCOME?

Under schedule 'D' of the Income and Corporation Taxes Act 1970 profits on commodity investments will be taxed as income...

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Financial Times Reporter
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BY PAUL CHEESERIGHT
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COMMODITIES/Review of the week

in leads surge in metals
A general upsurge in the London Metal Exchange... Last night cash wirebars level closed at \$872.5 a tonne...

MARKET REPORTS

BASE METALS
COPPER - Firm on the London Metal Exchange. After rising in 1976 on rumours of a considerable decrease in worldwide stocks...

SILVER

Wheat - U.S. Dark Northern Spring No. 2 14 cent April 2005, June 2005, July 2005...

U.S. Markets

Metals rise on rumours, grains fall
NEW YORK, March 4.
THE METALS market closed higher on industry rumours concerning the State Commission's decision to allow the re-commissioning of the mine last March...

KEY PRICE CHANGES

Table with columns for Commodity, Unit, 1976/77 High, Low, and 1977/78 High, Low. Includes items like Wheat, Cotton, Sugar, and various oils.

COFFEE

Coffee futures closed steady, having made rapid gains during the latter part of the week...

SOYABEAN MEAL

The market opened up firm due to the strong demand for soyabean meal...

WOOL FUTURES

Wool futures were unchanged to a shade either way in this trading...

COFFEE

Table showing coffee prices for various grades and origins, including Arabica and Robusta.

SUGAR

Table showing sugar prices for various grades and origins, including Cane and Beet.

JUTE

Table showing jute prices for various grades and origins.

Financial Times, London, Saturday, March 5, 1977. Includes exchange rates and market data.

BRITISH FUNDS (164)

Table listing various British funds with columns for fund name, value, and percentage change.

INT. BANK STOCKS (-)

Table listing international bank stocks with columns for stock name, value, and percentage change.

CORP. & COUNTY - U.K. (64)

Table listing corporate and county stocks in the UK with columns for company name, value, and percentage change.

FREE OF STAMP DUTY

Table listing stocks that are free of stamp duty.

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This week's SE dealings

Friday, March 4 6930 Wednesday, March 2 7919 Monday, February 28 6298
Thursday, March 3 6943 Tuesday, March 1 7102 Friday, February 25 7523

PUBLIC BOARDS U.K. (40)

Table listing public boards in the UK with columns for board name, value, and percentage change.

FOREIGN STOCKS (1)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (2)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (3)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (4)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (5)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (6)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (7)

Table listing foreign stocks with columns for stock name, value, and percentage change.

FOREIGN STOCKS (8)

Table listing foreign stocks with columns for stock name, value, and percentage change.

Text describing market conditions and providing commentary on the week's trading activity.

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Text describing market conditions and providing commentary on the week's trading activity.

Thatcher declares war on Government

BY OUR LOBBY STAFF
MRS. MARGARET THATCHER declared war on the Government...

India prisoners 'to strike'

BY K. K. SHARMA NEW DELHI, March 4.
MORE THAN 30,000 political prisoners arrested in a state of emergency...

SNOW REPORTS

Table providing snow reports for various regions, including depth, weather, and wind conditions.

BRWERIES, DIST. (224)

Table listing breweries and distributors with columns for company name, value, and percentage change.

CANALS, DOCKS (4)

Table listing canal and dock companies with columns for company name, value, and percentage change.

COMM. INDUSTRY (363)

Table listing communication industry companies with columns for company name, value, and percentage change.

FFI TERM DEPOSITS

Table listing FFI term deposits with columns for deposit name, value, and percentage change.

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Table listing FFI term deposits with columns for deposit name, value, and percentage change.

DELTA INVESTMENT COMPANY LIMITED Interim Statement (Unaudited)
Net deficit for six months period ending 25th January 1977...

FFI TERM DEPOSITS
Deposits of £1,000-£25,000 accepted for fixed terms...

Handwritten signature or initials in the top right corner.

Table of Local Authority Bond Rates, listing various authorities and their respective interest rates and terms.

Table of Building Society Rates, listing various building societies and their interest rates for different types of deposits.

Table of Local Authority Bond Rates (continued), listing more authorities and their bond details.

Table of Building Society Rates (continued), listing more building societies and their rates.

Table of U.K. Convertible Stocks, listing various convertible stocks and their prices.

Table of Special List, listing various stocks and their prices.

Table of Exchange Rates, listing various international exchange rates.

Table of Euro-Currency Interest Rates, listing various euro-currency interest rates.

Table of Forward Rates, listing various forward rates for different currencies.

Table of U.K. Convertible Stocks (continued), listing more convertible stocks.

Text block containing financial news or commentary, starting with 'Barrington marked under Rule 163'.

Text block containing financial news or commentary, starting with 'Bank of England Minimum Lending Rate'.

Text block containing financial news or commentary, starting with 'The Treasury bill rate fell'.

Text block containing financial news or commentary, starting with 'Local authority and finance houses'.

Text block containing financial news or commentary, starting with 'Sterling rose 7 points'.

Text block containing financial news or commentary, starting with 'The index of the pound's movement'.

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AUTHORISED UNIT TRUSTS

Handwritten note: 100% in 150

Vertical text on the left edge: TIMES STOCK

Vertical text on the left edge: LOWS

Vertical text on the left edge: INDICES

Vertical text on the left edge: INDEX LINKED

Index Linker

Index-linked investment which provides the £20 a month necessary for the maximum permitted S.A.Y.E. Index-linked savings contract.

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PAID QUARTERLY £12.23%

ESTIMATED ANNUAL GROSS YIELD

LAWSON HIGH YIELD FUND

The LAWSON HIGH YIELD FUND is yielding an attractive rate for sale in the price. An annual fee of 0.5% (net VAT) is deducted from gross income. 1% is added to the price. Trustee: Cytelbank Ltd. (Member of Midland Bank Group) lawyers: Lawson Securities Ltd. 61 George Street, Edinburgh EC2. Tel: 01-226 3911. Based in Edinburgh EC2. During the offer, units may be bought or sold at a discount to the Friday, Saturday or Sunday closing price within a few days.

EDY PRICE OFFER UNTIL FR MAR 11 1977 (OR DALY PRICE IF LOWER)

Managers reserve the right to close the offer if the true price rises by more than 2%.

Income Units 43.0p Accumulation Units 54.8p

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Unit Tr. Mgrs. Ltd. (a)	Bridge Fund Managers (a)	Confederation Funds Mgt. Ltd. (a)	Henderson Administration	London Wally (a)(g)	National Provident Inv. Mgrs. Ltd. (a)	Royal Tr. Cdn. Pd. Mgrs. Ltd.	Target Tr. Mgrs. Ltd. (a)(g)
... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)	... (listing various funds and their values)

OFFSHORE AND OVERSEAS FUNDS

Abhey Life Assurance Co. Ltd.	Chryseis Japhet Life Ass. Co. Ltd.	Hanover Life Assurance Limited	Illoy Life Assurance Co. Ltd.	Prop. Equity & Life Ass. Co. V.	Sun Alliance Fund Mgmt. Ltd.
... (listing various offshore funds)	... (listing various offshore funds)	... (listing various offshore funds)	... (listing various offshore funds)	... (listing various offshore funds)	... (listing various offshore funds)

INSURANCE, PROPERTY, BONDS

Adventist Securities (C.I.) Limited	Chatterhouse Japhet	GT. Bernards Ltd.	Keyserling Mgt. Jersey Ltd.	Negit Ltd.	Srinivast Trust Managers Ltd. (a)
... (listing various insurance and bond providers)	... (listing various insurance and bond providers)	... (listing various insurance and bond providers)	... (listing various insurance and bond providers)	... (listing various insurance and bond providers)	... (listing various insurance and bond providers)

NOTES

FT SHARE INFORMATION SERVICE

Relative Strength

Relative strength is the difference between a good and a bad investment. We supply relative strength charts for Britain's leading companies...

CHART ANALYSIS LIMITED 794-280 Bishopsgate, London, EC2M 4PE. Tel: 01-252 4476

BRITISH FUNDS

Table of British Funds with columns for High, Low, Stock, Price, Div, Yld, and others.

Over Fifteen Years

Table showing performance of funds over a 15-year period.

Undated

Table of undated fund performance data.

INTERNATIONAL BANK

Table of international bank share prices.

CORPORATION LOANS

Table of corporation loan rates and terms.

LOANS (Miscel)

Table of miscellaneous loan rates.

FOREIGN BONDS & RAITS

Table of foreign bond and rail prices.

AMERICANS

Table of American share prices.

CANADIANS

Table of Canadian share prices.

BANKS AND HIRE PURCHASE

Table of bank and hire purchase share prices.

BEERS, WINES AND SPIRITS

Table of beer, wine, and spirit share prices.

BUILDING INDUSTRY, TIMBER AND ROADS

Table of building, timber, and road share prices.

CINEMAS, THEATRES AND TV

Table of cinema, theatre, and TV share prices.

DRAPERY AND STORES

Table of drapery and store share prices.

BUILDING INDUSTRY—Continued

Continuation of building industry share prices.

CHEMICALS, PLASTICS

Table of chemical and plastic share prices.

HIRE PURCHASE, etc.

Table of hire purchase and other services.

INDUSTRIALS

Table of industrial share prices.

DRAPERY AND STORES—Continued

Continuation of drapery and store share prices.

DRAPERY AND STORES—Continued

Continuation of drapery and store share prices.

ELECTRICAL AND RADIO

Table of electrical and radio share prices.

ENGINEERING, MACHINE TOOLS

Table of engineering and machine tool share prices.

FOOD, GROCERIES, ETC.

Table of food, grocery, and other share prices.

ENGINEERING—Continued

Continuation of engineering share prices.

HOTELS AND CATERERS

Table of hotel and caterer share prices.

INDUSTRIALS (Miscel)

Table of miscellaneous industrial share prices.

Continuation of industrial share prices from the previous page.

INDUSTRIALS—Continued

Table of industrial shares including companies like British Leyland, BHP, and various mining and engineering firms.

MOTORS, AIRCRAFT TRADES

Table listing shares in motor and aircraft related companies such as British Leyland and various engineering firms.

PROPERTY—Continued

Table listing real estate and property-related companies and shares.

TRUSTS—Continued

Table listing shares in various trusts and investment funds.

TRUSTS—Continued

Table listing shares in various trusts and investment funds.

SUMITOMO HEAVY INDUSTRIES, LTD. Tokyo, Japan. For ocean development, systems engineering, and environment protection.

MINES—Continued. Table listing shares in various mining companies like Anglo American and De Beers.

AUSTRALIAN. Table listing shares in Australian-based companies.

TINS. Table listing shares in tin-related companies.

MISCELLANEOUS. Table listing various other shares and commodities.

NOTES. A section providing detailed notes and commentary on the listed securities.

TEAS, India and Bangladesh, Sri Lanka, Africa. Table listing shares in tea and other regional companies.

MINES. Table listing shares in various mining companies.

EASTERN RAND. Table listing shares in companies from the Eastern Rand region.

FAR WEST RAND. Table listing shares in companies from the Far West Rand region.

REGIONAL MARKETS. Table listing shares in regional markets across different countries.

FINANCE. Table listing shares in financial institutions and banks.

DIAMOND AND PLATINUM. Table listing shares in diamond and platinum-related companies.

Options 3-month Call rates. Table showing options and call rates for various companies.

NEWSPAPERS, PUBLISHERS

Table listing shares in newspaper and publishing companies.

PROPERTY

Table listing shares in property and real estate companies.

SHIPBUILDERS, REPAIRERS

Table listing shares in shipbuilding and repair companies.

SHIPPING

Table listing shares in shipping and maritime companies.

SHOES AND LEATHER

Table listing shares in shoe and leather companies.

SOUTH AFRICANS

Table listing shares in South African companies.

TEXTILES

Table listing shares in textile companies.

TOBACCO

Table listing shares in tobacco companies.

TRUSTS, FINANCE, LAND

Table listing shares in trusts, finance, and land-related companies.

INSURANCE

Table listing shares in insurance companies.

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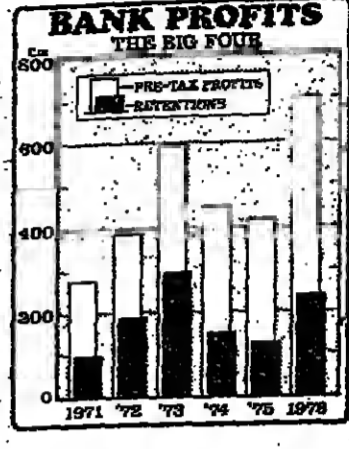
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THE LEX COLUMN

A flourish from Midland Bank

Index fell 4.8 to 407.9



The All-Share Index has once again failed to get above the January 1976 high point which it came within an ace of penetrating on Thursday and any decisive movement looks unlikely in the coming weeks. The fall in money-market interest rates has slowed down to a snail's pace, and the authorities seem confident of being able to sit on their hands at least until after the Budget at the end of the month. Gilt edged securities are moving sideways, and so are most other stock markets around the world.

For the moment, the headlines are full of the political struggle for the next phase of the pay policy, and although these are having an impact on day-to-day price movements the general undercurrent still looks firm enough.

Midland Bank

At £166.4m. Midland Bank's pre-tax profits are above almost all the brokers' estimates, and the gain of just over 100 per cent for the year (144 per cent in the second six months) brings the clearing bank results season to a close with something of a flourish.

Three special situations within the group provide part of the explanation. Thomas Cook's achievement of £2.5m. represented a pre-tax turnaround of just over 45m., and the Bland Payne insurance broking subsidiary improved by £6.6m. to £15.2m. And whereas Samuel Montagu contributed a loss in 1975 after property loan provisions, it will have turned round smartly in 1976. Together with the absence of 1975's £5m. extra provision against advances, these factors could have been worth around £35m. in profits last year.

The share of profits of associates, too, was a useful £9m. higher. But there is no doubt that the clearing bank business has performed very strongly with the domestic side as buoyant in profits terms as the overseas operations, though the overall 14 per cent rise in resources disproportionately reflects the effect of exchange rates on foreign currency deposits. The sterling business has been sluggish in volume terms, but interest rates have been higher and over the year as a whole the deposit mix has been more favourable towards current accounts

(though curiously enough the proportion of wholesale money was up from 25 to 30 per cent at the year-end). Midland has also made great efforts to keep expenses under control, after being hit by a one-third jump in labour costs in 1975.

Through these results Midland has got its fully diluted p/e down to 5.3 at 278p, and the yield of 7.2 per cent is still the highest available among the Big Four. But interest rates have been easing and lending is still slack, so for 1977 the running could be taken up by one of the other clearers with further recovery potential, notably Barclays.

Two-way bet

Normally, few shareholders would be able to find anything pleasant to say about dividend controls but two events this week have thrown a curious sidelight on the working of the present system.

On Wednesday Hanson Trust placed its 26 per cent holding in Whitecroft with institutional shareholders at a price of around 135p. It had bought the bulk of its stake at around 80p in the third quarter of 1975 and at the end of last year launched a 122p cash bid for Whitecroft. The latter put up a spirited defence, coming out with a healthy profit forecast and a promise of a more than doubled dividend. The share price responded by jumping from 89p on the eve of the Hanson offer to a peak of 146p. Hanson decided not to raise its bid and instead placed its shares at a price some 50 per cent above

Fleet St. print advance rejected by union

By Alan Pike, Labour Staff

PROPOSALS FOR introduction of computer-based new technology into the national newspaper industry were formally rejected by one of the unions most directly involved yesterday, as Fleet Street continued to be troubled by production losses.

Final voting by members of the National Graphical Association on the Programme for Action on new technology was 889 in favour and 3,778 against. Announcement of the result, which was confirmation of the inevitable so far as the NGA—the print industry's leading craft union—was concerned, was accompanied by a declaration from the union's president, Mr. Les Dixon, that the decision must be the end of the road.

"It means we must now have a new look at the situation and find some other alternatives, perhaps on a house basis and with an overall national policy attached to it," he said.

Times stopped

The new technology proposals, though agreed a joint standing committee of union leaders and newspaper management representatives, have attracted widespread hostility from employees. It is expected that the Programme will also be rejected by the members of the National Society of Operative Printers, Graphical and Media Personnel. The result of their ballot is expected on Monday.

The Times dispute also prevented its appearance to-day. Management said last night that a series of meetings with national and branch officers of NATSOPA had made "insufficient progress."

As the result of the NGA ballot was announced, attempts were made to resolve a dispute which prevented the Times appearing yesterday. It stems from claims by two groups—the publishing chapel of the Society of Graphical and Allied Trades and the machine assistants chapel of the National Society of Operative Printers, Graphical and Media Personnel—for extra payments which management says would be outside the pay policy.

When NATSOPA members refused to resume normal working despite a warning that they would be considered in breach of contract, the company announced that they were deemed to have dismissed themselves.

Production losses of national newspapers this year have already reached 22m. through a combination of disputes and general bad production. The Sun lost nearly 170,000 copies yesterday, and the Daily Telegraph 9,000 because of production difficulties.

The management of the Sun and the News of the World says it has lost 36m. copies in eight months, and 3.6m. copies of the Daily Telegraph and the Sunday Telegraph were lost in the first two months of this year.

£48,000 record for a Churchill



Mr. John Spence-Churchill, nephew of Sir Winston Churchill, watches while the Mimizan landscape goes to a Canadian businessman.

Five paintings reach surprise £86,300

By Pamela Judge

ABOUT 300 people, batteries of television cameras, photographers and journalists crammed into the Great Room at Christie's in London yesterday to see one of Sir Winston Churchill's paintings, a landscape of Mimizan, in France, sold for £48,000.

The price was a record for a Churchill; Sir Winston would no doubt have been delighted since he categorised himself as no more than an amateur.

The previous record for one of his works was £26,000, established minutes earlier when his Pope's Palace at Avignon went to the Crane Kelman Gallery in London.

The Mimizan was bought for

Mr. John Turner, a Toronto businessman. There was considerable interest in the Canadian city in the auction. The Toronto Sun had collected pledges from its readers to bid for the two paintings, but its top bid of £12,000 was swept away within seconds.

The size of the bidding caught Christie's by surprise. It had expected a price of up to £3,000 for the Mimizan and £7,000 for the Pope's Palace. In all, the sale of the five paintings belonging to Churchill realised £86,300. This pleased the family enormously. Mr. John Spence-Churchill, Sir Winston's nephew, who scented the bidding, said he never thought for a moment that the prices would reach the level they did.

The five paintings had been put in auction by Lady Spence-Churchill. Sir Winston's widow, to meet rising costs. Although Sir Winston left her in what he considered to be comfortable circumstances, inflation and taxation have eaten into her income.

Other works in the sale of modern British and Irish paintings, drawings, and sculpture brought the total for the sale to £321,850. Two paintings by Sir Alfred Mannings went for near their estimated prices. Sinker II with Manny Mercer up reached £25,000 and the Saddling paddock at Epsom made £12,000

MAN OF THE WEEK

And a star to steer her by . . .

BY NICHOLAS OWEN

JAMES ONEDIN, the tough hero of television's saga of sailing ships, would surely identify with, and understand at once, Ravi Tikko. Though a technological world apart, they share the same fiery independence and apparent though not quite total disdain both for what the world thinks and for the orthodox ways of going about ship-owning.

This week's swashbuckling episode with burly Humberiders swarming out of the night to rescue for Tikko his strike-beamed ship is a story-book adventure, the only part of the narrative missing was the fulfilment of the idea that Tikko should descend in person on the Globtik Venus from a helicopter. Onedin would not have missed that.

Tikko has had his time before the mast, as a young Indian Navy officer. But his approach to the business of operating large tankers has little to do with any misty passion for the sea and everything to do with an exceptional grasp of mathematical mechanics. Much of Tikko's reputation is built on the fact he controls two of the biggest vessels, the Japanese-built Globtik Tokyo and Globtik London, ever to emerge from a shipyard.

Tikko's London company, Globtik (from "Globe" and "Tikko") Tankers, has a handful of other less overgrown ships like the dispute-ridden



MR. RAVI TIKKOO

Power of the mind is stronger than money.

Globtik Venus, and Tikko has just set off another spasm of "bow's" to go to do it?" with the announcement that he may spend \$1bn. on three nuclear-powered ships.

Tikko is fond of perplexing sceptical questioners by saying that his ship deals are put together so that the risk to Globtik Tankers of any disasters, whether man-made or natural, is non-existent. Only the end of the world, he said this week, would be sufficient catastrophe.

Inevitably, his financing of supertankers is intricate and makes maximum use of what benefits in terms of taxation and State aid are available, so the relevance of the modest (£1,000) Ordinary share base of Globtik Tankers is distinctly marginal except as far as its location and potential are concerned.

But beyond the technicalities, the most important and understandable aspect is Tikko's tailoring of the finance available from bankers to the revenue accruing from shippers.

But like so many other single-minded entrepreneurs, Tikko does seem to be encountering problems in adjusting to the fact that others, particularly in the form of organised labour, want maximum shares in the fruits of his agile mind.

Using an argument few socialists hear without irritation, 44-year-old Tikko argues that he is a worker too, and a harder worker than those who crew his ships.

Tikko has seen enemies about him before. He has talked of being the victim of industrial espionage when deal-making. He moved his celebrated string of race horses, trained by Scobie Breasley, out of Britain to France because of VAT, and then quit France in high dudgeon because of dope testing. The horses are now in New York, but Tikko claims lately he only ever leased them from a Bahamas company.

Even if the non-numerate constantly marvel at Tikko's deft way with calculators, the man himself thinks there is rather more to life: "I believe that the power of the mind is stronger than the power of money."

U.S. may still decide to buy Germany's Leopard tank

By David Bell

WASHINGTON, March 4.

DR. HAROLD BROWN, the U.S. Defence Secretary, is considering his response to fresh pressure from West Germany for the U.S. to stop the development of its new tank and buy the West German Leopard instead.

Bonn has so far not directly proposed cancellation of the American XM-1 tank project, but at least one senior member of the Bundestag has been in contact with the Pentagon, and it is widely believed here that the West German Government shares his views.

Herr Georg Leber, the Bonn Defence Minister, visits Washington later this month.

The Bonn initiative is viewed with mounting concern by the U.S. Army, whose evaluation convinced it that the U.S. tank is superior in most respects.

Late last year the Ford Administration signed a \$200m. deal with Chrysler to build a prototype of the tank, and both the company and the Army are matching the New German approach very closely.

Britain is affected by the revival of West German attempts to persuade the Americans to buy the Leopard after all. In the first place the U.K. is involved in fierce competition with the Germans in the design of a 120-mm gun which might be fitted to a new Nato battle tank in about five years.

Of more immediate importance is the link that the Germans clearly see between the new tank and the U.S. desire that the Germans take part in the NATO project to buy AWAC early warning radar aircraft, a project that will cost about \$2.4bn.

Bonn has made it abundantly clear in the past week that it sees no reason why it should take part in the AWAC project without some quid pro quo on the tank.

Dr. Manfred Woerner, chairman of the Bundestag defence committee made this very clear earlier this week.

Dr. Brown, the new Defence Secretary, is well aware of his view.

This may well be part of the reason why the Department of

Defence apparently leaked a report soon to be issued by Dr. Brown which calls for much greater standardisation of weapons. It may well have been intended to soothe German feelings.

A German decision about the AWAC is being urged by the end of this month by Britain, which must decide then whether to go ahead with the project to use Hawker Siddeley Nimrod as a substitute for the Boeing 707s, which are used as AWACs.

Britain has been under some pressure in the past two days to go ahead with the Nimrod project.

The attempt to design a common NATO battle tank goes back some years, and appeared by January finally to have run aground.

But President Carter has made much of the need for standardisation, and it could be that Dr. Brown will use the tank issue as a symbol of the fact that the U.S. really means what it says and is prepared to buy the Leopard.

Leyland may be forced to shut plants soon

Continued from Page 1

Unless this was accepted by all employees—the cloud hanging over us will darken until the storm breaks."

LEYLAND DISPUTES

TOOLMAKERS' STRIKE: Day 15
Strikers: 3,000
Laid off: 28,000
Models halted: Princess and Maxi (Cowley), Mini and Allegro (Longbridge), MG sports cars (Abingdon), TR7 (Liverpool), Sharp's vans (Cannon Lane, Birmingham).

OTHER DISPUTES

1. Triumph Coventry
Strikers: 150
Laid off: 5,000
Models halted: Entire Triumph saloon range.

2. Rover Solihull
Strikers: 36
(at non-Leyland component supplier)
Laid off: 1,500
Models halted: Land Rover.

3. Rover Birmingham components factories.
Strikers: 17
Laid off: 1,500
Models halted: Range Rover.

IN PRODUCTION

Marina, Jaguar saloon and sports, Rover 3500 car lines.

Falklands prefer to stay British

By Hugh O'Shaughnessy, in Port Stanley March 4.



THE NEWS that Argentine businessmen are making moves to buy the Falkland Islands Company cannot but increase the uncertainty about the colony's future that has existed here for decades.

"The blow to the fragile self-confidence of the 1,900 islanders comes within a fortnight of the visit of Mr. Edward Rowlands Minister of State at the Foreign and Commonwealth Office.

The unremitting pressure of successive Argentine Government moves which have sought to establish sovereignty over a territory discovered by British sailors at the end of the 18th century, and under continuous and effective British control since 1833, has not affected the islanders' sentiments that they are entirely British and wish nothing more than to remain in an undisturbed colonial relationship with London.

The quiet streets of this village of 800 people are lined with terrace houses which to all appearances could have been shipped out bodily, with their gardens of lupins and fuschias, from the quieter parts of Bognor Regis.

Across the three-mile-long harbour stand the Royal Navy fuel tanks, a testimony to the time long since past when the Falkland Islands were an important strategic base controlling Cape Horn, the only sea route between Atlantic and Pacific Oceans,

before the inauguration of the Panama Canal.

The scenery on the northern horizon is reminiscent of the more mountainous islands of the Hebrides in the warm autumn sun. West Store, the village's main shopping centre and an adjunct of the Falkland Islands Company, is doing its usual brisk trade in the lines of household goods, from Westabix to New castle Brown ale and Matchbox tops, that any village housewife in Britain would expect to find in her local supermarket.

The islanders' proximity to Argentina is visible only in the presence of the offices of LADE, the Argentine airline which runs a weekly service to Comodoro Rivadavia, the biggest town in Patagonia, two hours away by jet liner, and in the vehicles of VYP, the Argentine State oil company, defiantly sporting Argentine number plates, which distribute fuel in the village.

With no television programmes to watch and no cinema to go to, the principal entertainment to-night will be the dance which the crew of the Royal research ship John Biscoe, recently arrived from the British Antarctic Territories, will be giving before she sets sail for Britain.

Leyland may be forced to shut plants soon

a fresh trouble spot yesterday when 17 men at two Rover components factories in Birmingham stopped work over a premium payment agreement making Range Rover production impossible and causing 1,500 lay-offs.

Leyland's attempt to put a damper on the atmosphere of confrontation followed the statement by Mr. Harry Urwin, deputy general secretary of the Transport and General Workers' Union, and a member of the National Enterprise Board, that he might resign over the way the crisis was being handled.

Mr. Urwin said that the Government's support for the strong statement from the National Enterprise Board had been agreed "unanimously."

Last night Mr. Derek Whitaker, Leyland managing director, said the company could and should be making a profit.

"... if we could only co-operate and produce consistently like all our competitors in Europe, Japan and North America."

He told the Institute of British Carriage and Automobile Manufacturers in London that the company's problems lay in the grass roots of British industry. The greatest obstacle to progress was our aversion to change.

"Any deviation from current practices is cause for concern, suspicion and considerable hostility."

"But change on the largest scale and in the shortest time cycle ever is vital to the successful reconstruction of Leyland cars."

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Reserves exceed Assets exceed £12

Weather

U.K. TO-DAY
MILD. Local rain or drizzle spreading from W.

London, S.E., Cent. S. England, E. Anglia, E. Midlands
Sunny periods, cloudy later. Max. 11-13C (53-55F).

E., N.E., Cent. N. England, Borders, Edinburgh, Dundee, Aberdeen, Moray Firth, Cent. Highlands, N.E. Scotland
Sunny periods, then rain or drizzle. Max. 8-10C (46-50F).

W. Midlands, Channel Isles, S.W., N.W. England, Wales
Bright intervals, drizzle. Max. 12-14C (54-57F).

Lakes, Isle of Man, S.W. N.W. Scotland, Glasgow, Argyll, N. Ireland
Rain or drizzle at times. Max. 8-10C (46-50F).

Orkney, Shetland
Occasional showers. Max. 5-7C (41-45F).

.. Outlook: Rain at times in N. and W., mainly dry in S.E. Mild.

BUSINESS CENTRES

Y-day	mid-day	Y-day	mid-day
°C	°F	°C	°F
Alexandria R 12 54	London S 13 55		
Amman S 18 56	Luxembourg S 16 57		
Athens F 15 51	Madrid S 18 62		
Barcelona S 19 65	Manchester S 9 45		
Bombay S 26 79	Melbourne S 23 73		
Buenos Aires S 25 77	Montevideo S 18 63		
Cairo S 21 69	Moscow S 7 45		
Calcutta S 29 84	Nairobi S 14 57		
Canton S 22 72	Reykjavik S 3 37		
Cebu S 28 82	Rome S 14 57		
Colon S 27 81	Stockholm S 11 52		
Hankow S 24 75	Strasbourg S 14 57		
Hong Kong S 28 82	Sydney S 17 63		
Kobe S 21 69	Taipei S 23 73		
London S 13 55	Tokyo S 18 63		
Lyons S 12 54	Warsaw S 8 46		
Manila S 28 82	Zurich S 10 51		

HOLIDAY RESORTS

Y-day	mid-day	Y-day	mid-day
°C	°F	°C	°F
Algeria S 18 63	Las Pias S 17 63		
Alicante S 24 75	Lecce S 16 61		
Barcelona S 18 63	Lisbon S 17 63		
Batavia S 27 81	London S 13 55		
Bombay S 29 84	Malaga S 19 66		
Buenos Aires S 25 77	Malta S 18 64		
Calcutta S 29 84	Manila S 28 82		
Canton S 22 72	Nairobi S 14 57		
Cebu S 28 82	Reykjavik S 3 37		
Colon S 27 81	Rome S 14 57		
Hankow S 24 75	Stockholm S 11 52		
Hong Kong S 28 82	Strasbourg S 14 57		
Kobe S 21 69	Sydney S 17 63		
London S 13 55	Taipei S 23 73		
Lyons S 12 54	Tokyo S 18 63		
Manila S 28 82	Warsaw S 8 46		
London S 13 55	Zurich S 10 51		

S-Sunny, S-Cloudy, F-Fair, R-Rain, Dr-Drizzle, Sn-Snow.

Source: Reuters, Page 16

Handwritten Arabic text at the bottom of the page.